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

FORM 10

GENERAL FORM FOR REGISTRATION OF SECURITIES
Pursuant to Section 12(b) or (g) of the Securities Exchange Act of 1934

CORONADO BIOSCIENCES, INC.
(Exact name of registrant as specified in its charter)

Delaware	**333-157293**	**20-5157386**
(State or other jurisdiction of incorporation)	**(Commission File Number)**	**(IRS Employer Identification No.)**

45 Rockefeller Plaza, Suite 2000, New York, New York	**10111**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 332-1671

Securities to be registered pursuant to Section 12(b) of the Act:

Securities to be registered pursuant to Section 12(g) of the Act:

Common Stock, $.001 par value
(Title of Class)

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.

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

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EXPLANATORY NOTE

Coronado Biosciences, Inc. is filing this General Form for Registration of Securities on Form 10 (the "Registration Statement") to register its common stock, par value $0.001 per share, pursuant to Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Unless otherwise mentioned or unless the context requires otherwise, when used in this prospectus, the terms "Coronado," "Company," "we," "us," and "our" refer to Coronado Biosciences, Inc.

FORWARD LOOKING STATEMENTS

Statements in this Form 10 or in the documents incorporated by reference herein that are not descriptions of historical facts are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. We have attempted to identify forward-looking statements by terminology including "anticipates," "believes," "can," "continue," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "should," or "will" or the negative of these terms or other comparable terminology. Forward-looking statements are based on management's current expectations and are subject to risks and uncertainties that could negatively affect our business, operating results, financial condition and stock price. Factors that could cause actual results to differ materially from those currently anticipated include those set forth under "Risk Factors" including, in particular, risks relating to:

- the results of research and development activities;
- uncertainties relating to preclinical and clinical testing, financing and strategic agreements and relationships;
- the early stage of products under development;
- our need for substantial additional funds;
- government regulation;
- patent and intellectual property matters; and
- competition.

We expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in our expectations or any changes in events, conditions or circumstances on which any such statement is based, except as required by law.

WHERE YOU CAN FIND MORE INFORMATION ABOUT US

When this registration statement becomes effective, we will begin to file reports, proxy statements, information statements and other information with the United States Securities and Exchange Commission (the "SEC"). You may read and copy this information, for a copying fee, at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for more information on its Public Reference Room. Our SEC filings will also be available to the public from commercial document retrieval services, and at the Web site maintained by the SEC at http://www.sec.gov.

Our Internet website address is http://www.coronadobiosciences.com. Information contained on the website does not constitute part of this registration statement. When this registration statement is effective, we will make available, through a link to the SEC's Web site, electronic copies of the materials it files with the SEC (including annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, the Section 16 reports filed by executive officers, directors and 10% stockholders and amendments to those reports).

Item 1. Business.

Overview

We are a biopharmaceutical company focused on the development of novel immunotherapy biologic agents for the treatment of inflammatory diseases and cancer. Our two principal pharmaceutical product candidates in clinical development are:

- CNDO-201, a biologic comprising Trichuris suis ova ("TSO"), the microscopic eggs of the pig whipworm, for the treatment of autoimmune diseases, such as Crohn's disease ("Crohn's"), ulcerative colitis ("UC") and multiple sclerosis ("MS"); and
- CNDO-109, a compound that activates natural killer ("NK") cells of the immune system to seek and destroy cancer cells, for the treatment of acute myeloid leukemia.

CNDO–201

In January 2011, in connection with our acquisition of the assets of Asphelia Pharmaceuticals, Inc. ("Asphelia"), we acquired the exclusive rights to CNDO-201 in North America, South America and Japan under a sublicense agreement with OvaMed GmbH ("OvaMed"), as well as a manufacturing and supply agreement with OvaMed to provide us with our clinical and commercial requirements of CNDO-201.

CNDO-201 is comprised of TSO, the microscopic eggs of a parasitic helminth, or worm, that is found in pigs. TSO is not a human pathogen and is eliminated from the body within several weeks without treatment. Multiple investigator-sponsored clinical trials of TSO for the treatment of Crohn's and UC have been completed in which TSO demonstrated clinical benefit with regard to accepted outcome measurements of remission of disease and was shown to be well tolerated. Based on a recent meeting with the U.S. Food and Drug Administration ("FDA"), we plan to file an Investigational New Drug Application ("IND") with the FDA by the end of the third quarter of 2011 and commence a single dose, dose escalation study in patients with Crohn's. This study is expected to be completed by the end of 2011. Assuming acceptable tolerance in this study, we expect to initiate a multi-center phase 2 clinical trial in Crohn's in the United States shortly thereafter. We also plan to have discussions with the FDA regarding the requirements to initiate a Phase 2 trial in patients with MS.

CNDO–109

In November 2007, we acquired exclusive worldwide rights to develop and market CNDO-109 from the University College London Business PLC ("UCLB"). CNDO-109 is a compound that has been shown to activate NK cells. When activated, NK cells have the ability to differentiate between normal cells and cancer cells, and kill cancer cells by granzyme mediated lysis, a biochemical process whereby the NK cells directly kill cancer cells by destroying their cell membranes and structures.

In vitro and *in vivo* preclinical studies conducted at the University College of London have demonstrated that CNDO-109 activated NK cells directly kill cells that cause hematologic malignancies including myeloid leukemia and multiple myeloma, as well as breast, prostate and ovarian cancers. We are aware of a Phase 1 clinical trial of CNDO-109 in seven patients with high-risk acute myeloid leukemia ("AML") which demonstrated that the therapy was well tolerated with manageable adverse events given the advanced state of the disease. Although the primary endpoint of the Phase 1 clinical trials was safety, based on the data obtained from the preclinical studies and this Phase 1 study, we believe that CNDO-109 has the potential to benefit patients with a wide variety of hematologic and solid cancers.

We have agreed with the FDA on a plan to submit an IND for a multi-center Phase 1/2 clinical trial in patients with relapsed AML currently planned for early 2012. We intend to use the results of this Phase 1/2 clinical trial to develop a plan for future clinical trials of CNDO-109 to support the filing of a Biologics License Application ("BLA") in the United States and similar marketing applications in other countries.

Industry

Immunology Therapeutics Markets

Autoimmune diseases represent a diverse collection of diseases in terms of their demographic profile and primary clinical manifestations. The phenotypic commonality between them, however, is the damage to tissues and organs that arise from the loss of tolerance. Autoimmune disorders include inflammatory bowel disease ("IBD") such as Crohn's and UC, MS, rheumatoid arthritis, lupus, asthma and type-1 diabetes. According to a 2010 Decision Resources report, in the U.S. and Japan, the prevalence of Crohn's was 585,000 patients, UC was 712,000 patients and MS was 400,000 patients. Prevalence rates for all autoimmune disorders are expected to continue to rise in the next several years.

Crohn's is characterized by inflammation of the gastrointestinal tract that causes painful and debilitating symptoms. Most patients with Crohn's experience relapses, and no current therapy is completely effective in preventing acute flares. Although immunosuppressants and TNF-a inhibitors are effective maintenance therapies, fewer than 50% of patients maintain long-term remission with these drugs. The majority of Crohn's patients require surgery during their lifetime despite available therapies. Therefore, the greatest unmet need is for more-effective maintenance therapies that are also safe for long-term use.

The etiology and pathophysiology of ulcerative colitis are not fully understood, but research strongly suggests that genetic susceptibility and environmental factors, coupled with an abnormal immune response, contribute to the development of the disease. Despite significant advances in the understanding of genetic susceptibility and its role in IBD, novel, targeted therapies for the treatment of UC have yet to be identified. The need for more effective maintenance therapies with sustained long-term efficacy are the greatest unmet need in the management of UC.

MS is an autoimmune inflammatory disease of the central nervous system that is characterized by progressive neuronal loss that manifests clinically as worsening physical disability. The key pathophysiological hallmark of MS is the loss of myelin, a layer of lipids and proteins produced by cells called oligodendrocytes that wrap around the neuron and act like an insulating sheath to facilitate electrical conduction along the nerve. Destruction of myelin by an inflammatory cascade leads to neuronal degeneration. As a result, we believe that there is a substantial unmet need for effective treatments for chronic progressive MS as well as a need for therapies that are more conveniently delivered (e.g., oral agents, less frequently administered injectable drugs).

Each of these diseases is believed to be associated with an excessive inflammatory response by the T helper (Th) cells

Oncology Therapeutics Markets

The American Cancer Society estimates that over 1.5 million people in the U.S. are expected to be diagnosed with cancer in 2010, excluding basal and squamous cell skin cancers and in situ carcinomas (other than urinary bladder carcinomas). This is an increase of approximately 25% from the estimated number of new cancer diagnoses of approximately 1.2 million in 2000. We believe this rate is unlikely to decrease in the foreseeable future as the causes of cancer are multiple and poorly understood.

Despite continuous advances every year in the field of cancer research, there remains a significant unmet medical need in the treatment of cancer, as the overall five-year survival rate for a cancer patient diagnosed between 1999 and 2005 still averages only 68% according to the American Cancer Society. According to that same source, cancer is the second leading cause of mortality in the U.S. behind heart disease. Overall, the American Cancer Society estimates that approximately one in four deaths in the U.S. is due to cancer.

One of the main treatments for cancer is chemotherapy. While chemotherapy is the most widely used class of anti-cancer agents, individual chemotherapeutic agents show limited efficacy because tumors maintain complex machinery to repair the DNA damage to tumor cells caused by chemotherapy. Solutions to this problem include

combination chemotherapy, but while combination chemotherapy has been intensively studied, it offers only limited hope for improvement as a result of additive toxicities. The limitations inherent in chemotherapy are mirrored by limitations in other therapeutic modalities for cancer, including radiation therapy, targeted therapies and surgical intervention. Each of these therapies either has high levels of toxicity and/or potentially severe adverse events, which in turn frequently limit the amount of treatment that can be administered to a patient.

As a result, we believe that there is a significant unmet medical need for alternatives to existing chemotherapy drugs that do not have the associated toxicities of traditional chemotherapy drugs.

Our Product Candidates

CNDO–201

CNDO-201 is a biologic product candidate comprising TSO for the treatment of autoimmune diseases. We initially plan to investigate TSO for the treatment of Crohn's, UC and MS. CNDO-201 originates from the work of Dr. Joel V. Weinstock, currently the Chief of the Division of Gastroenterology/Hepatology at Tufts New England Medical Center in Boston and a member of our scientific advisory board. Dr. Weinstock's research has centered on the evolutionary role of parasitic helminth (worm) infections in the prevention of inflammatory diseases such as IBD, specifically Crohn's disease and ulcerative colitis. Dr. Weinstock has discovered that when the microscopic eggs of a certain helminth, preferably *T. suis*, the pig whipworm, are administered to patients with IBD a beneficial immune response is induced, which provides clinical benefit to the underlying disease with minimal side-effects. CNDO-201 is produced under Good Manufacturing Practices by OvaMed in Germany.

Background

The use of helminths in the treatment of autoimmune disease is based on the belief that the immune systems of populations living in the relatively sterile environments found in developed countries with little or no exposure to parasites may develop in abnormal ways. This "hygiene hypothesis" is based on epidemiologic findings of an inverse relationship between automimmune diseases and helminthic colonization. The incidence of IBD is highest in the developed world and in temperate climates, with positive correlations noted among persons of higher socioeconomic status and high levels of domestic hygiene experienced in childhood. Conversely, the incidence of IBD is rare in less developed countries and in persons with blue-collar jobs involving exposure to dirt and physical exercise.

In contrast to the epidemiologic findings of IBD, the prevalence of helminths is highest in warm climates and in populations characterized by crowding, poor sanitation, and impure food supply. Furthermore, the incidence of IBD has increased over the past several decades, while the prevalence of helminths in the United States and Europe has steadily declined during the same time period. These findings have led to the idea that eliminating intestinal helminths in the industrialized world has eliminated a natural T regulatory cell mechanism that prevents excessive T-cell activation such as occurs in IBD as well as in other immune-mediated diseases such as MS, asthma and allergies.

The immunologic basis for helminth therapy for IBD is derived from experimental animal and human data demonstrating that these organisms alter immune responses beyond those directed against the worms. In animal models, helminths blunt Th1 responses and promote Th2 responses associated with increased production of IL-4 and IL-3. Helminthic colonization in humans can result in diminished Th1 immune responses to challenges with unrelated antigens, as well as increased production of immunomodulatory molecules such as IL-10, transforming growth factor (TGF)-β, and regulatory T-cells. Thus, genetically susceptible persons who are never exposed to helminths may lack a strong Th2 immune response and develop a poorly regulated and destructive intestinal Th1 response, leading to chronic colitis or ileitis.

TSO was chosen as an appropriate helminth for therapeutic application due to its ability to colonize in humans briefly without invading or infecting the host. Although not a human parasite, *T. suis* resembles the human whipworm *T. Trichuris* and is able to colonize a human host for several weeks before being eliminated from the body without any specific therapy. TSO has potential for being a natural immune system modulator without significant risk of causing disease in humans. Mature *T. suis* produce ova that exit the porcine host with the stool, however, ova are not infective until incubating in the soil for several weeks, thereby preventing direct host-to-host transmission. No human diseases have been associated with exposure to *T. suis* or TSO.

Third Party Clinical Trials

The initial safety and efficacy of TSO in Crohn's disease has been evaluated in two open-label investigator-sponsored clinical trials. The first, a small pilot clinical trial conducted by Summers *et al.* and reported in the *American Journal of Gastroenterology* in 2003, administered a single dose of 2500 embryonated TSO orally to four patients with refractory Crohn's. Patients were followed every two weeks for at least 12 weeks, with the efficacy of therapy determined by the Crohn's Disease Activity Index ("CDAI") and the Inflammatory Bowel Disease Quality of Life questionnaire ("IBDQ"). Using an IBDQ score $\geq$ 170 to indicate remission, three of four (75%) patients achieved remission by week 8. Similarly, three of four (75%) patients achieved remission during the observation period as assessed by a CDAI $\leq$ 150. However, two of the three patients who achieved remission relapsed at the end of the 12-week observation period.

In a subsequent open-label clinical trial reported in *GUT* in 2004, Summers *et al.* examined the safety and efficacy of TSO in 29 patients with active Crohn's, defined by a CDAI $\geq$ 220. Patients received TSO in individual aliquots of 2500 ova suspended in a solution every three weeks for 24 weeks. Patients maintained diaries of clinical symptoms, and disease activity was measured by CDAI. Therapy with TSO was associated with substantial and sustained improvement, with 79.3% patients experiencing a response (decrease in CDAI > 100 points or CDAI < 150) and 72.4% achieving remission (CDAI < 150) at week 24. TSO was well tolerated.

Two investigator-sponsored studies of TSO have been conducted in patients with UC. The first study was a pilot study conducted by Summers *et al.* (*American Journal of Gastroenterology,* 2003) in which three patients with refractory UC were treated with a single dose of 2500 embryonated *T. suis* eggs orally and observed every two weeks for 12 weeks. The IBDQ and Simple Clinical Colitis Activity Index ("SCCAI") were used to determine the efficacy of therapy. Using an IBDQ score $\geq$ 170 to define remission, all three patients had achieved remission by week eight. Using an SCCAI $\leq$ 4 to indicate remission, each of the UC patients achieved remission during the treatment and observation period, and one patient experienced a relapse.

As reported in *Gastroenterology* in 2005, Summers *et al.* subsequently conducted a randomized, double-blind, placebo-controlled clinical trial to determine the safety and efficacy of TSO in 54 patients with active UC (defined by an Ulcerative Colitis Disease Activity Index (UCDAI) $\geq$ 4) who were treated with placebo or 2500 TSO every two weeks for 12 weeks. After the first 12 weeks of treatment, placebo-treated patients were switched to TSO for a second 12-week interval and TSO patients were switched to placebo. The blind was maintained during the crossover phase. In order to calculate UCDAI and SCCAI scores, patients kept diaries detailing their clinical symptoms. The primary measure of efficacy was clinical improvement at 12 weeks, defined as a decrease in UCDAI $\geq$ 4. Clinical remission, defined as UCDAI $\leq$ 2, was a secondary endpoint. Of the 54 patients enrolled in the study, 24 received placebo and 30 received TSO during the first 12 weeks of the study. The proportion of patients achieving a favorable response was significantly higher with TSO compared with placebo in both the intention-to-treat ("ITT") (43.3% vs. 16.7%, p = 0.04) and per protocol (PP) (44.8% vs. 17.4%, p = 0.04) populations. Only patients with active disease (UCDAI $\geq$ 4) were included in the analysis of the crossover phase of the study. Among 31 patients (n=15 for placebo, n=16 for TSO) analyzed, the percentage of TSO -treated patients achieving response was higher than that for placebo-treated patients (56.3% vs. 13.3%, p = 0.02). When the two study periods were combined, TSO administration was associated with significantly higher responses in both the ITT and PP populations.

In a study reported in the *Multiple Sclerosis Journal* in 2011, Dr. John Fleming and his colleagues at the University of Wisconsin studied five subjects with newly diagnosed, treatment-naïve, relapsing–remitting multiple sclerosis (RRMS). They were given 2500 TSO orally every 2 weeks for 3 months in a baseline versus treatment controlled trial. They showed that the mean number of new gadolinium-enhancing magnetic resonance imaging (MRI) lesions (n-Gdþ) fell from 6.6 at baseline to 2.0 at the end of TSO administration, and two months after TSO was discontinued, the mean number of n-Gdþ rose to 5.8 new lesions. No significant adverse effects were observed. In preliminary immunological investigations, increases in the serum level of the cytokines IL-4 and IL-10 were noted in four of the five subjects. These first five patients represented the first part of a 2-part study (known as HINT-1 and HINT-2). Additional patients are currently being studied for up to 10 months. Results from this second cohort are expected in the second half of 2012.

Currently, OvaMed's European sublicensee for gastroenterology indications is conducting a Phase 2b clinical trial of TSO in Crohn's in a multi-center European clinical trial expected to enroll approximately 212 patients.

Our Clinical Trial Program

As the result of a recent pre-IND meeting held among representatives of our company, OvaMed and the FDA, we will commence our clinical program with this product with a single dose, dose escalation study in patients with Crohn's disease. The study is expected to be completed by the end of 2011. Assuming acceptable tolerance from this study, we expect to begin a multicenter phase 2 study in the first quarter of 2012 in patients with Crohn's disease. The FDA indicated that no additional pre-clinical studies are required to open the IND in the United States, which is expected to be submitted by the end of the third quarter of this year. We also plan to have discussions with FDA regarding the requirements to initiate a Phase 2 trial in MS patients.

Manufacturing

We have contracted with OvaMed to produce and supply us with all of our requirements of CNDO-201. OvaMed innoculates young pathogen-free pigs with *T. suis* from a master ova bank and harvests the ova which are incubated to maturity and are processed to remove any viruses and other pathogens. Ova then are processed and extensively tested to assure uniformity. They are then used to repopulate the master ova bank and are processed further into a final formulation of the drug product that is a clear, tasteless and odorless liquid. OvaMed manufacturing is conducted at one facility in Germany, which has received Good Manufacturing Practice, or GMP, certificate granted by the European Medicines Agency, or EMA. OvaMed's manufacturing operations will be subject to an FDA inspection to assess compliance with its FDA standards. See "Government Regulation and Product Approval."

CNDO–109

CNDO-109 is a lysate (disrupted CTV-1 cells, cell membrane fragments, cell proteins and other cellular components) that activates donor NK cells. CTV-1 is a leukemic cell line recently re-classified as a T-cell acute lymphocytic leukemia ("ALL"). We acquired exclusive worldwide rights to develop and commercialize CNDO-109 activated NK cells for the treatment of cancer from UCLB.

Background

Standard therapy for patients with advanced cancer include chemotherapy therapies, or therapies that are toxic to the cells, that suppress the immune system and carry significant risks of life-threatening infections and other toxicities in the absence of hope for cure. Despite effective cancer therapies that induce clinical responses, including complete remissions, minimal residual disease ("MRD"), a term referring to disease that is undetectable by conventional morphologic methods, often remains and serves as a source of cancer recurrence. For years, scientists have studied ways to enhance the patient's immune system to target cancer cells, maintain remission and possibly even eradicate all cancer cells in the body, including MRD. Researchers believe that a cure for cancer might be possible if immunotherapy is successfully applied to the treatment of cancer.

The most common immunotherapy studied to date involves the use of targeted humanized monoclonal antibodies such as rituximab (anti-CD20) or trastuzumab (anti-HER2/neu). These antibodies bind targets that are over-expressed on cancer cells and promote cell death by a number of immune mechanisms, including antibody dependent cell-mediated cytotoxicity ("ADCC"). In ADCC, the most common mechanism of tumor killing, the antibody tags the cancer cell and recruits the cells from the patient's immune system to attack the tumor. Immune cells recruited by the antibody to kill the cancer include granulocytes, macrophages and NK cells.

Another common therapy that activates the innate immune system involves the administration of high dose Interleukin-2 ("IL-2"). Through binding to the IL-2 receptor, IL-2 activates NK cells to attack cancer cells. After high-dose IL-2 therapy, NK cells are activated to search out and kill cancer cells. Unfortunately, the use of IL-2 therapy is limited because of its severe side effects, which include severe life-threatening infusion reactions and induction of autoimmune disease.

The importance of NK cells in the host system's defense against cancer was recognized by Professor Mark Lowdell at the Royal Free Hospital in London and others when they noted that patients who could mount an immune response to their acute myeloid leukemia ("AML") became long-term survivors after chemotherapy. Researchers identified that a key to the successful immune response of the patient's immune systems was the NK cell. Professor Lowdell determined that activated NK cells were the key to eliminating AML cells and that NK cells require two signals to kill a tumor cell – a priming signal followed by a trigger signal. NK cells that can be activated by certain cancer cells provide both signals resulting in killing the cancer cell. Cancer cells that cannot be killed only trigger one signal and therefore are considered resistant to NK cells. NK cells which have not been primed cannot respond to the trigger. The "priming signal" can be provided by either cytokines, such as high dose IL-2 or IL-15 or by CNDO-109. In contrast to IL-2 or IL-15, NK cells activated by CNDO-109 retain their activated state after cryopreservation and thawing. This allows commercialization of the process since the NK cells can be activated with CNDO-109 and prepared at a manufacturing facility under GMP conditions and shipped to the clinical center as a frozen patient-specific dose, ready for infusion.

Although AML is the prototype tumor lysed by CNDO-109 activated NK cells, CNDO-109 activated NK cells are expected to be active against most cancer types. Based on preclinical efficacy studies of CNDO-109 conducted by Professor Lowdell at the Royal Free Hospital in London using human specimens of breast cancer, prostate and ovarian cancer, we expect CNDO-109 to be active against tumors that have been successfully treated by high dose IL-2 therapy such as renal cell carcinoma and melanoma.

The treatment of patients with CNDO-109 activated NK cells involves several steps. The activated NK cells are infused into the patient after resting NK cells are incubated with CNDO-109 for at least eight hours. Preparation of CNDO-109 activated NK cells takes about 24 hours from start to finish. If the source of the NK cells being used is someone other than the patient, "an allogeneic donor", the patient will need some form of immunosuppression to allow the CNDO-109 activated NK cells to persist long enough to eradicate MRD. Preliminary data on a small number of patients from the UK Phase 1 clinical trial demonstrated that CNDO-109 activated indicate NK cells can remain active for weeks. Due to the complex manufacturing requirements, we anticipate developing CNDO-109 activated NK cell therapy using a third party centralized GMP-compliant processing center.

Completed Clinical Trial

We are aware of a Phase 1 clinical trial of CNDO-109 activated haploidentical NK cells conducted in the United Kingdom in patients with high risk (i.e. chemo-sensitive relapsed/refractory) AML who were not eligible for a stem cell transplant. Although the clinical trial was not randomized and included only seven patients, most of these high-risk patients had remission durations and overall survival that were much greater than expected based on their poor risk factors. The principal adverse event observed in this Phase 1 clinical trial was prolonged aplasia with reduction of the red cell, white cell, and platelet counts, which were managed successfully with hospitalization, transfusions, prophylactic antibiotics, and administration of cytokines for hematopoietic stimulation.

Our Clinical Program

We plan to submit an IND for the CNDO-109 activated NK cell product in the U. S. in early 2012 using data from UCL's Phase 1 clinical trial in the United Kingdom. We plan to initiate a Phase 1/2 clinical trial in the United States using CNDO-109 to activate NK cells to treat MRD in AML patients with relapsed/refractory disease. We are also planning selected pilot Phase 1 clinical trials in other tumor types, including multiple myeloma, renal cell carcinoma and ovarian cancer, with both allogeneic and autologous cells.

Manufacturing

The manufacturing process for CNDO-109 activated NK cells is currently under development. We have produced a master cell bank ("MCB") and a working cell bank ("WCB") of CTV-1 cells in collaboration with BioReliance in Maryland. Manufacture and testing of CNDO-109 activated NK cells for our planned Phase 1/2 clinical trial will be conducted at Progenitor™ Cell Therapy, LLC ("PCT"), with facilities in Allendale, NJ and Mountain View, CA. We have entered into service agreements with both companies as well as a supply agreement with PCT. Indirectly, we also rely on Miltenyi Biotec to provide the equipment and reagents necessary for the identification and selection of NK cells.

Strategic Alliances and Commercial Agreements

Sublicense Agreement with OvaMed GmbH

In January 2011, in connection with our acquisition of the assets of Asphelia relating to CNDO-201, Asphelia assigned the Exclusive Sublicense Agreement, dated December 2005, between Asphelia and OvaMed (as amended, the "OvaMed License") and Manufacturing and Supply Agreement dated March 2006, between Asphelia and OvaMed (as amended, the "OvaMed Supply Agreement") to us and we assumed Asphelia's obligations under these agreements. Under the OvaMed License, we received an exclusive sublicense, with a right to grant additional sublicenses to third parties, under Ovamed's patent rights and know-how to make, have made, use, sell and offer for the sale of licensed products encompassing CNDO-201 in North America, South America and Japan. OvaMed's patent rights arise, in turn, from an exclusive license granted in 2005 by the University of Iowa Research Foundation in favor of OvaMed.

Under the OvaMed License, we are required to make milestone payments to OvaMed totaling up to approximately $5.45 million, primarily upon the achievement of various regulatory milestones, for the first product that incorporates CNDO-201 and additional milestone payments upon the achievement of regulatory milestones relating to subsequent indications. In the event that CNDO-201 is commercialized, we are obligated to pay to OvaMed royalties based on net sales. Additionally, we are obligated to pay to OvaMed a percentage of certain consideration we receive from sublicensees, as well as an annual license maintenance fee and reimbursement of patent costs. We are responsible for all clinical development and regulatory activities and costs relating to licensed products in the territory covered by the sublicense. The OvaMed License terminates upon the expiration of the last licensed patent right, provided that either party may also terminate the agreement under certain customary conditions of breach and we have the right to terminate the OvaMed License with 30 days prior notice.

Under the OvaMed Supply Agreement, OvaMed agreed to manufacture and supply us with and we are required to purchase from OvaMed our clinical and commercial requirements of CNDO-201 at pre-determined prices. The OvaMed Supply Agreement expires in March 2013 and is subject to early termination by either party under certain customary conditions of breach. The OvaMed Supply Agreement will automatically renew for successive one-year periods, unless we give 12 months' prior notice of our election not to renew, and subject to our right to terminate the agreement in the event of specified failures to supply or regulatory or safety failures.

In January 2011, as part of the purchase price, we paid OvaMed an aggregate of approximately $3.4 million in satisfaction of Asphelia's agreement to pay OvaMed for certain development costs and for patent reimbursement costs. We agreed that, subject to certain conditions, the IND would initially be submitted by OvaMed and subsequently transferred to us, and that we would commence an FDA-approved clinical trial within 12 months after the IND is accepted by the FDA.

License Agreement with UCL Business PLC

In November 2007, we entered into a license agreement with UCLB under which we received an exclusive, worldwide license to develop and commercialize CNDO-109 for the treatment of cancer-related and other conditions. Under a September 2009 amendment, we also received a non-exclusive license, without the right to sublicense, to certain clinical data solely for use in the IND for CNDO-109.

In consideration for the license, we may be required to make future milestone payments totaling up to approximately $22 million upon the achievement of various milestones related to regulatory events for the first three indications for which CNDO-109 is developed. In the event that CNDO-109 is commercialized, we will be obligated to pay to UCLB annual royalties based upon net sales of the product or, if commercialized by a sublicensee, a percentage of the consideration we receive from such sublicensee. Under the terms of the agreement, we must use diligent and reasonable efforts to develop and commercialize CNDO-109 worldwide.

Under the terms of the license agreement, we are allowed to grant sublicenses to third parties without the prior approval of UCLB. In the event that we sublicense CNDO-109 to a third party, we are obligated to pay to UCLB all or a portion of the royalties we receive from the sublicensee.

The agreement terminates upon the expiration of the last licensed patent right, unless the agreement is earlier terminated. Either party may terminate the agreement in the event of material breach by the other party, subject to prior notice and the opportunity to cure, or in the event the other party enters into bankruptcy or is dissolved for any reasons other than in connection with a merger or acquisition. UCLB may terminate the license agreement if we, or our affiliates, commence or assist in legal proceedings to challenge the validity or ownership of the patents licensed to us under the agreement, or if we market or sell a competing product without UCLB's prior written consent. In addition, we may terminate the agreement by providing written notice to UCLB at least 30 days' prior to any contemplated termination.

Services Agreement with Progenitor Cell Therapy

In April 2010, we entered into a master contract services agreement (the "PCT agreement"), with Progenitor Cell Therapy, LLC ("PCT") pursuant to which PCT may, from time to time, provide consulting, preclinical, laboratory and/or clinical research-related services, product/process development services, manufacturing services and other services to us in connection with the CNDO-109 development program. PCT is currently performing services related to the development of manufacturing processes for CNDO-109 under the PCT agreement. We pay for services under the PCT agreement pursuant to statements of work entered into from time to time. Any product resulting from the services performed or product improvement, inventions or discoveries, including new uses for product resulting from the services performed and related patent rights which arise as a result of the services performed by PCT under the PCT agreement are owned solely and exclusively by and assigned to us.

The PCT agreement will expire on the completion of all services provided in the statement(s) of work executed by the parties. We may terminate the PCT agreement with 45 days' notice to PCT if PCT is in default of its material obligations under the PCT agreement or any statement of work and such default is not cured within such 45 day period and may terminate the PCT agreement without cause upon 60 days' written notice to PCT. PCT may terminate the PCT agreement with 30 days' notice to us if we are in default of our material obligations under the PCT agreement or any statement of work and such default is not cured within such 30 day period.

The PCT agreement and any statement of work thereunder may not be assigned in whole or in part by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed, except we may assign the PCT agreement and statements of work without PCT's consent in the event of a merger, acquisition, or transfer of all of our assets related to the PCT agreement to a third party that is not an affiliate of ours, provided further that such assignee, in the reasonable opinion of PCT has financial resources and financial strength comparable to ours.

Intellectual Property

General

Our goal is to obtain, maintain and enforce patent protection for our product candidates, formulations, processes, methods and any other proprietary technologies, preserve our trade secrets, and operate without infringing on the proprietary rights of other parties, both in the United States and in other countries. Our policy is to actively seek to obtain, where appropriate, the broadest intellectual property protection possible for our current product candidates and any future product candidates, proprietary information and proprietary technology through a combination of contractual arrangements and patents, both in the United States and abroad. However, patent protection may not afford us with complete protection against competitors who seek to circumvent our patents.

We also depend upon the skills, knowledge, experience and know-how of our management and research and development personnel, as well as that of our advisors, consultants and other contractors. To help protect our proprietary know-how, which is not patentable, and for inventions for which patents may be difficult to enforce, we currently rely and will in the future rely on trade secret protection and confidentiality agreements to protect our interests. To this end, we require all of our employees, consultants, advisors and other contractors to enter into confidentiality agreements that prohibit the disclosure of confidential information and, where applicable, require disclosure and assignment to us of the ideas, developments, discoveries and inventions important to our business.

CNDO–201

Under the OvaMed License, we have exclusive rights to U.S. Patent Nos. 6,764,838, 7,250,173 and 7,833,537, owned by the University of Iowa ("UI") and licensed by UI to OvaMed. These patents claim methods of producing a pharmaceutical preparation comprising an helminthic parasite preparation, pharmaceutical compositions suitable for oral administration comprising an isolated and purified *T.suis* helminthic parasite preparation, and methods of treating inflammatory bowel disease, including Crohn's and UC, in an individual by the administration of a *T. suis* helminthic parasite preparation, respectively. These patents are scheduled to expire in December 2018, except for the '537 patent, which is set to expire about nine months later. The terms of these patents are subject potentially to patent term restoration due to delays associated with the regulatory approval process. It is likely, however, that only one of these patents will be extended pursuant to the regulations that govern the application of patent term restoration statute. Under the OvaMed License, we also have exclusive rights under a pending U.S. application and any U.S. patents that might mature from this patent application. This latter patent family has the potential to extend patent coverage in the U.S. for CNDO-201 out to November 2023, not including any available patent term restoration.

Our success for preserving market exclusivity for our product candidates relies on our ability to obtain and maintain a regulatory period of data exclusivity over an approved biologic, currently 12 years from the date of marketing approval, and to preserve effective patent coverage. Once any regulatory period of data exclusivity expires, if certain of our in-licensed patent applications fail to issue, or our in-licensed patents expire, are determined to be invalid, found to be not infringed, or deemed unenforceable, we may not be able to prevent others from marketing and selling biosimilar versions of our product candidates. We are also dependent upon the diligence of third parties, which control the prosecution of pending domestic and foreign patent applications and maintain granted domestic and foreign patents.

In addition to any regulatory exclusivity we may be able to obtain, we also seek to protect additional intellectual property rights such as trade secrets and know-how, including commercial manufacturing processes and proprietary business practices.

CNDO–109

We have exclusive rights to International Patent Application No. PCT/GB2006/000960 and all pending U.S. and foreign counterpart applications including pending U.S. Patent Application Serial No. 11/856,466 and the

corresponding national phase applications filed in Australia, Canada, Europe, India and Japan, directed to the method of stimulating natural killer cells using CNDO-109 for the treatment of cancer and other conditions. This patent family has been in-licensed on an exclusive basis from UCLB. The CNDO-109 patents that may issue from this patent family would expire in March 2026 in the absence of any patent term extension.

Additionally, a second International Patent Application (No. PCT/GB2010/051135) has recently been filed with the European Patent Office directed to various aspects of our anticipated CNDO-109 clinical product and its methods of manufacture. This application has an international filing date of July 9, 2010 and, accordingly, any patents eventually issuing therefrom will expire in 2030 absent any further patent term extension. A subsequent provisional patent application was filed with the United States Patent and Trademark Office directed to treatment of viral infections using CNDO-109. This application was filed in March 2011 and will be converted into an international PCT application in March 2012, such that any patents issuing therefrom will expire in 2032 absent any further patent term extension. Each of these applications were filed at our direction on behalf of UCLB and are included in the license agreement with UCLB.

Competition

We operate in highly competitive segments of the biotechnology and biopharmaceutical markets. We face competition from many different sources, including commercial pharmaceutical and biotechnology enterprises, academic institutions, government agencies, and private and public research institutions. Many of our competitors have significantly greater financial, product development, manufacturing and marketing resources than us. Large pharmaceutical companies have extensive experience in clinical testing and obtaining regulatory approval for drugs. In addition, many universities and private and public research institutes are active in cancer research, some in direct competition with us. We also may compete with these organizations to recruit scientists and clinical development personnel. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies.

We expect CNDO-201, if approved for the treatment of Crohn's, to compete directly with Centocor Ortho Biotech Inc.'s Remicade (infliximab) and Abbott Laboratories' Humira (adalimumab) each of which is currently approved for the treatment of various diseases including, IBD, UC and Crohn's and several other products. CNDO-201, if developed and approved for the treatment of MS, would compete with Biogen Idec's Avonex (interferon beta-1a), Bayer Healthcare Pharmaceuticals' Betaseron (interferon beta-1b) and Teva Pharmaceuticals Industries, Ltd.'s Copaxone (Glatiramer Acetate) and several other products. New developments, including the development of other pharmaceutical technologies and methods of treating disease, occur in the pharmaceutical and life sciences industries at a rapid pace.

Each cancer indication for which we are developing products has a number of established therapies with which our candidates will compete. Most major pharmaceutical companies and many biotechnology companies are aggressively pursuing new cancer development programs, including both therapies with traditional, as well as novel, mechanisms of action. Some of the anticipated competitor treatments for AML include Genzyme Corporation's Clolar (clofarabine), currently approved as a treatment for ALL, Eisai Corporation's Dacogen (decitabine), currently approved as a treatment for MDS, Celgene Corporation's Vidaza (azacitidine), currently approved as a treatment for MDS, and Vion Pharmaceuticals, Inc.'s Onrigin (laromustine) currently being developed as a treatment for AML, any or all of which could change the treatment paradigm of acute leukemia. Each of these compounds is further along in clinical development than is the CDNO-109 activated NK cell product.

Manufacturing

We do not own or operate manufacturing facilities for the production of CNDO-201 or CNDO-109 nor do we plan to develop our own manufacturing operations in the foreseeable future. We currently depend on third party

contract manufacturers for all of our required raw materials, API and finished products for our preclinical and clinical trials. Pursuant to the OvaMed Supply Agreement, we are required to purchase from OvaMed and OvaMed has agreed to manufacture and supply us with clinical and commercial requirements of CNDO-201 at pre-determined prices. We do not have a contractual arrangement for the manufacture of commercial supplies of CNDO-109.

Manufacturers of our products are required to comply with applicable FDA manufacturing requirements contained in the FDA's current good manufacturing practice standards ("cGMP") regulations. cGMP regulations require among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation. Pharmaceutical product manufacturers and other entities involved in the manufacture and distribution of approved pharmaceutical products are required to register their establishments with the FDA and certain state agencies, and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and other laws. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance. Discovery of problems with a product after approval may result in restrictions on a product, manufacturer, or holder of an approved NDA/BLA, including withdrawal of the product from the market. In addition, changes to the manufacturing process generally require prior FDA approval before being implemented and other types of changes to the approved product, such as adding new indications and additional labeling claims, are also subject to further FDA review and approval.

Government Regulation and Product Approval

Government authorities in the United States, at the federal, state and local level, and other countries extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of products such as those we are developing.

United States Pharmaceutical Product Development Process

In the United States, the FDA regulates pharmaceutical (drug and biologic) products under the Federal Food, Drug and Cosmetic Act, and implementing regulations. Pharmaceutical products are also subject to other federal, state and local statutes and regulations. 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. FDA sanctions could include refusal to approve pending applications, withdrawal of an approval, a clinical hold, warning letters, product recalls, 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. The process required by the FDA before a pharmaceutical product may be marketed in the United States generally includes the following:

- Completion of preclinical laboratory tests, animal studies and formulation studies according to Good Laboratory Practices or other applicable regulations;
- Submission to the FDA of an IND, which must become effective before human clinical trials may begin in the United States;
- Performance of adequate and well-controlled human clinical trials according to the FDA's current good clinical practices ("GCPs"), to establish the safety and efficacy of the proposed pharmaceutical product for its intended use;
- Submission to the FDA of an NDA or BLA for a new pharmaceutical product;

- Satisfactory completion of an FDA inspection of the manufacturing facility or facilities where the pharmaceutical product is produced to assess compliance with the FDA's cGMP, to assure that the facilities, methods and controls are adequate to preserve the pharmaceutical product's identity, strength, quality and purity;
- Potential FDA audit of the preclinical and clinical trial sites that generated the data in support of the NDA/BLA; and
- FDA review and approval of the NDA/BLA.

The lengthy process of seeking required approvals and the continuing need for compliance with applicable statutes and regulations require the expenditure of substantial resources and approvals are inherently uncertain.

Products for somatic cell therapy are derived from a variety of biologic sources, including directly harvested autologous, allogeneic, or cultured cell lines. Product safety requires that these sources be well characterized, uniform, and not contaminated with hazardous adventitious agents. Also, cells directly from humans pose additional product safety issues. Because of the complex nature of these products a controlled, reproducible manufacturing process and facility, are required and relied on to produce a uniform product. The degree of reliance on a controlled process varies depending on the nature of the product. Because complete chemical characterization of a biologic product is not feasible for quality control, the testing of the biologic potency receives particular attention and is costly.

Before testing any compounds with potential therapeutic value in humans, the pharmaceutical product candidate enters the preclinical testing stage. Preclinical tests include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies to assess the potential safety and activity of the pharmaceutical product candidate. The conduct of the preclinical tests must comply with federal regulations and requirements including good laboratory practices. The sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA places the IND on a clinical hold within that 30-day time period. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose clinical holds on a pharmaceutical product candidate at any time before or during clinical trials due to safety concerns or non-compliance. Accordingly, we cannot be certain that submission of an IND will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such clinical trial.

Clinical trials involve the administration of the pharmaceutical product candidate to healthy volunteers or patients under the supervision of qualified investigators, generally physicians not employed by the sponsor. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria, and the parameters to be used to monitor subject safety. Each protocol must be submitted to the FDA if conducted under a US IND. Clinical trials must be conducted in accordance with the FDA's good clinical practices requirements. Further, each clinical trial must be reviewed and approved by an independent institutional review board ("IRB") or ethics committee if conducted outside of the US, at or servicing each institution at which the clinical trial will be conducted. An IRB or ethics committee is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB or ethics committee also approves the informed consent form that must be provided to each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed.

Human clinical trials are typically conducted in three sequential phases that may overlap or be combined:

- Phase 1. The pharmaceutical product is initially introduced into healthy human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion. In the case of some

products for severe or life-threatening diseases, such as cancer treatments, especially when the product may be too inherently toxic to ethically administer to healthy volunteers, the initial human testing is often conducted in patients.

- Phase 2. The pharmaceutical product is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule.
- Phase 3. Clinical trials are undertaken to further evaluate dosage, clinical efficacy and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk/benefit ratio of the product and provide an adequate basis for product labeling. Generally, two adequate and well-controlled Phase 3 clinical trials are required by the FDA for approval of an NDA/BLA or foreign authorities for approval of marketing applications.

Post-approval studies, or Phase 4 clinical trials, may be conducted after initial marketing approval. These studies are used to gain additional experience from the treatment of patients in the intended therapeutic indication and may be requested by the FDA as a condition of approval.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and written IND safety reports must be submitted to the FDA and the investigators for serious and unexpected adverse events or any finding from tests in laboratory animals that suggests a significant risk for human subjects. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, if at all. The FDA or the sponsor or, if used, its data safety monitoring board may suspend a clinical trial at any time on various grounds, including a finding that the research subjects or patients are being exposed to an unacceptable health risk. Similarly, an IRB or ethics committee can suspend or terminate approval of a clinical trial at its institution if the clinical trial is not being conducted in accordance with the IRB's or ethics committee's requirements or if the pharmaceutical product has been associated with unexpected serious harm to patients.

Concurrent with clinical trials, companies usually complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the pharmaceutical product as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the pharmaceutical product candidate and, among other things, must develop methods for testing the identity, strength, quality and purity of the final pharmaceutical product. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the pharmaceutical product candidate does not undergo unacceptable deterioration over its shelf life.

United States Review and Approval Processes

The results of product development, preclinical studies and clinical trials, along with descriptions of the manufacturing process, analytical tests conducted on the chemistry of the pharmaceutical product, proposed labeling and other relevant information are submitted to the FDA as part of an NDA/BLA requesting approval to market the product.

The NDA/BLA review and approval process is lengthy and difficult and the FDA may refuse to approve an NDA/BLA if the applicable regulatory criteria are not satisfied or may require additional clinical data or other data and information. Even if such data and information is submitted, the FDA may ultimately decide that the NDA/BLA does not satisfy the criteria for approval. If a product receives regulatory approval, the approval may be significantly limited to specific diseases and dosages or the indications for use may otherwise be limited, which could restrict the commercial value of the product. Further, the FDA may require that certain contraindications, warnings or precautions be included in the product labeling.

Post-Approval Requirements

Any pharmaceutical products for which we receive FDA approvals are subject to continuing regulation by the FDA, including, among other things, record-keeping requirements, reporting of adverse experiences with the product, providing the FDA with updated safety and efficacy information, product sampling and distribution requirements, complying with certain electronic records and signature requirements and complying with FDA promotion and advertising requirements, which include, among others, standards for direct-to-consumer advertising, promoting pharmaceutical products for uses or in patient populations that are not described in the pharmaceutical product's approved labeling (known as "off-label use"), industry-sponsored scientific and educational activities, and promotional activities involving the internet. Failure to comply with FDA requirements can have negative consequences, including adverse publicity, enforcement letters from the FDA, mandated corrective advertising or communications with doctors, and civil or criminal penalties.

The FDA also may require post-marketing testing, known as Phase 4 testing, risk minimization action plans and surveillance to monitor the effects of an approved product or place conditions on an approval that could restrict the distribution or use of the product.

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 Centers for Medicare and Medicaid Services (formerly the Health Care Financing Administration), 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.

Pharmaceutical Coverage, Pricing and Reimbursement

In the United States and markets in other countries, sales of any products for which we receive regulatory approval for commercial sale will depend in part on the availability of reimbursement from third-party payors, including government health administrative authorities, managed care providers, private health insurers and other organizations. Third-party payors are increasingly examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy, and, accordingly, significant uncertainty exists as to the reimbursement status of newly approved therapeutics. Adequate third party reimbursement may not be available for our products to enable us realize an appropriate return on our investment in research and product development

International Regulation

In addition to regulations in the United States, there are a variety of foreign regulations governing clinical trials and commercial sales and distribution of any product candidates. The approval process varies from country to country, and the time may be longer or shorter than that required for FDA approval.

Employees

As of July 2, 2011, we had eight full-time employees.

1A. Risk Factors.

Risks Related to Our Business and Industry

Our product candidates are at an early stage of development and may not be successfully developed or commercialized.

Our two product candidates are in the early stage of development and will require substantial further capital expenditures, development, testing, and regulatory clearances prior to commercialization. Of the large number of drugs in development, only a small percentage successfully complete the FDA regulatory approval process and are commercialized. Accordingly, even if we are able to obtain the requisite financing to fund our development programs, we cannot assure you that our product candidates will be successfully developed or commercialized. If we are unable to develop, or receive regulatory approval for or successfully commercialize any of our product candidates, we will not be able to generate product revenues.

Because we in-licensed our product candidates from third parties, any dispute with or non-performance by us or by our licensors may adversely affect our ability to develop and commercialize the applicable product candidates.

All of our product candidates were in-licensed from third parties. Under the terms of our license agreements, the licensors generally have the right to terminate such agreement in the event of a material breach by us. Our licenses require us to make annual and milestone payments prior to commercialization of any product and our ability to make these payments depends on our ability to generate cash in the future. These agreements generally require us to use diligent and reasonable efforts to develop and commercialize the product candidate. In the case of CNDO-201, the company from which we sublicense CNDO-201, OvaMed, licenses CNDO-201 from a third party, the University of Iowa Research Foundation ("UI"). Our rights to CNDO-201 are, therefore, also subject to OvaMed's performance of its obligations to UI, certain of which are outside of our control.

If there is any conflict, dispute, disagreement or issue of non-performance between us and our licensing partner regarding our rights or obligations under the license agreement, including any conflict, dispute or disagreement arising from our failure to satisfy payment obligations under such agreement, our ability to develop and commercialize the affected product candidate may be adversely affected. Similarly, any such dispute or issue of non-performance between our licensor of CNDO-201, OvaMed, and UI could adversely affect our ability to develop and commercialize CNDO-201. Any loss of our rights under our license agreements could delay or completely terminate our product development efforts for the affected product candidate.

Because the results of preclinical studies and early clinical trials are not necessarily predictive of future results, any product candidate we advance into clinical trials may not have favorable results in later clinical trials, if any, or receive regulatory approval.

Pharmaceutical development has inherent risk. We will be required to demonstrate through well-controlled clinical trials that our product candidates are effective with a favorable benefit-risk profile for use in their target indications before we can seek regulatory approvals for their commercial sale. Success in early clinical trials does not mean that later clinical trials will be successful as product candidates in later-stage clinical trials may fail to demonstrate sufficient safety or efficacy despite having progressed through initial clinical testing. Companies frequently suffer significant setbacks in advanced clinical trials, even after earlier clinical trials have shown promising results. In addition, only a small percentage of drugs under development result in the submission of an NDA or BLA to the FDA and even fewer are approved for commercialization.

Any product candidates we may advance into clinical development are subject to extensive regulation, which can be costly and time consuming, cause unanticipated delays or prevent the receipt of the required approvals to commercialize our product candidates.

The clinical development, manufacturing, labeling, storage, record-keeping, advertising, promotion, import, export, marketing and distribution of our product candidates are subject to extensive regulation by the FDA in the

United States and by comparable health authorities in foreign markets. In the United States, we are not permitted to market our product candidates until we receive approval of a BLA from the FDA. The process of obtaining BLA approval is expensive, often takes many years and can vary substantially based upon the type, complexity and novelty of the products involved. Approval policies or regulations may change and the FDA has substantial discretion in the pharmaceutical approval process, including the ability to delay, limit or deny approval of a product candidate for many reasons. Despite the time and expense invested in clinical development of product candidates, regulatory approval is never guaranteed.

The FDA or and other regulatory agency can delay, limit or deny approval of a product candidate for many reasons, including:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of our clinical trials;
- we may be unable to demonstrate to the satisfaction of the FDA that a product candidate is safe and effective for any indication;
- the FDA may not accept clinical data from trials which are conducted by individual investigators or in countries where the standard of care is potentially different from the United States;
- the results of clinical trials may not meet the level of statistical significance required by the FDA for approval;
- we may be unable to demonstrate that a product candidate's clinical and other benefits outweigh its safety risks;
- the FDA may disagree with our interpretation of data from preclinical studies or clinical trials;
- the FDA may fail to approve the manufacturing processes or facilities of third-party manufacturers with which we or our collaborators contract for clinical and commercial supplies; or
- the approval policies or regulations of the FDA may significantly change in a manner rendering our clinical data insufficient for approval.

With respect to foreign markets, approval procedures vary among countries and, in addition to the aforementioned risks, can involve additional product testing, administrative review periods and agreements with pricing authorities. In addition, recent events raising questions about the safety of certain marketed pharmaceuticals may result in increased cautiousness by the FDA and comparable foreign regulatory authorities in reviewing new pharmaceuticals based on safety, efficacy or other regulatory considerations and may result in significant delays in obtaining regulatory approvals. Any delay in obtaining, or inability to obtain, applicable regulatory approvals would prevent us from commercializing our product candidates.

Any product candidate we advance into clinical trials may cause unacceptable adverse events or have other properties that may delay or prevent their regulatory approval or commercialization or limit their commercial potential.

Unacceptable adverse events caused by any of our product candidates that we advance into clinical trials could cause us or regulatory authorities to interrupt, delay or halt clinical trials and could result in the denial of regulatory approval by the FDA or other regulatory authorities for any or all targeted indications and markets. This, in turn, could prevent us from commercializing the affected product candidate and generating revenues from its sale.

We have not yet completed testing of any of our product candidates for the treatment of the indications for which we intend to seek product approval in humans, and we currently do not know the extent of adverse events, if any, that will be observed in patients who receive any of our product candidates. If any of our product candidates cause unacceptable adverse events in clinical trials, we may not be able to obtain regulatory approval or commercialize such product.

We may experience delays in the commencement of our clinical trials or in the receipt of data from third parties, which could result in increased costs and delay our ability to pursue regulatory approval.

Delays in the commencement of clinical trials and delays in the receipt of data from preclinical or clinical trials conducted by third parties could significantly impact our product development costs and the time required to commercialize our products. Before we can initiate clinical trials in the United States for our product candidates, we need to submit the results of preclinical testing to the FDA as part of an IND, along with other information including information about product chemistry, manufacturing and controls and our proposed clinical trial protocol.

We currently plan to rely on preclinical, clinical and quality data from third parties for the IND submissions for both CNDO-201 and CNDO-109. If we are unable to use such data for any reason, including reasons outside of our control, it will delay our plans for IND filings, and clinical trial plans. If those third parties do not make this data available to us, we will likely, on our own, have to develop all the necessary preclinical and clinical data which will lead to additional delays and increase the costs of our development of the product candidates. In addition, the FDA may require us to conduct additional preclinical testing for any product candidate before it allows us to initiate the clinical testing under any IND, which may lead to additional delays and increase the costs of our preclinical development. Even assuming an active IND for a product candidate, clinical trials can be delayed for a variety of reasons, including delays in:

- obtaining regulatory clearance to commence a clinical trial;
- identifying, recruiting and training suitable clinical investigators;
- reaching agreement on acceptable terms with prospective contract research organizations ("CROs") and trial sites, the terms of which can be subject to extensive negotiation, may be subject to modification from time to time and may vary significantly among different CROs and trial sites;
- obtaining sufficient quantities of a product candidate for use in clinical trials;
- obtaining IRB or ethics committee approval to conduct a clinical trial at a prospective site;
- identifying, recruiting and enrolling patients to participate in a clinical trial; and
- retaining patients who have initiated a clinical trial but may withdraw due to adverse events from the therapy, insufficient efficacy, fatigue with the clinical trial process or personal issues.

Any delays in the commencement of our clinical trials will delay our ability to pursue regulatory approval for our product candidates. In addition, many of the factors that cause, or lead to, a delay in the commencement of clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate.

Delays in the completion of clinical testing could result in increased costs to us and delay our ability to generate product revenues.

Once a clinical trial has begun, patient recruitment and enrollment may be slower than we anticipate. Clinical trials may also be delayed as a result of ambiguous or negative interim results. Further, a clinical trial may be suspended or terminated by us, an IRB, an ethics committee or a Data Monitoring Committee overseeing the clinical trial, any of our clinical trial sites with respect to that site or the FDA or other regulatory authorities due to a number of factors, including:

- failure to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols;
- inspection of the clinical trial operations or clinical trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold;
- unforeseen safety issues or any determination that the clinical trial presents unacceptable health risks; and

- lack of adequate funding to continue the clinical trial.

Changes in regulatory requirements and guidance also may occur and we may need to amend clinical trial protocols to reflect these changes. Amendments may require us to resubmit our clinical trial protocols to IRBs for re-examination, which may impact the costs, timing and the likelihood of a successful completion of a clinical trial. If we experience delays in the completion of, or if we must terminate, any clinical trial of any product candidate, our ability to obtain regulatory approval for that product candidate will be delayed and the commercial prospects, if any, for the product candidate may suffer as a result. In addition, many of these factors may also ultimately lead to the denial of regulatory approval of a product candidate.

We intend to rely on third parties to conduct our clinical trials. If these third parties do not meet our deadlines or otherwise conduct the trials as required, our clinical development programs could be delayed or unsuccessful and we may not be able to obtain regulatory approval for or commercialize our product candidates when expected or at all.

We do not have the ability to conduct all aspects of our preclinical testing or clinical trials ourselves. We intend to use CROs to conduct our planned clinical trials and will rely upon medical institutions, clinical investigators and contract research organizations and consultants to conduct our trials in accordance with our clinical protocols. Our future CROs, investigators and other third parties play a significant role in the conduct of these trials and the subsequent collection and analysis of data from the clinical trials.

There is no guarantee that any CROs, investigators and other third parties upon which we rely for administration and conduct of our clinical trials will devote adequate time and resources to such trials or perform as contractually required. If any of these third parties fail to meet expected deadlines, fail to adhere to our clinical protocols or otherwise perform in a substandard manner, our clinical trials may be extended, delayed or terminated. If any of our clinical trial sites terminate for any reason, we may experience the loss of follow-up information on patients enrolled in our ongoing clinical trials unless we are able to transfer the care of those patients to another qualified clinical trial site. In addition, principal investigators for our clinical trials may serve as scientific advisors or consultants to us from time to time and receive cash or equity compensation in connection with such services. If these relationships and any related compensation result in perceived or actual conflicts of interest, the integrity of the data generated at the applicable clinical trial site may be jeopardized.

If our competitors develop treatments for the target indications of our product candidates that are approved more quickly, marketed more successfully or demonstrated to be more effective than our product candidates, our commercial opportunity will be reduced or eliminated.

We operate in highly competitive segments of the biotechnology and biopharmaceutical markets. We face competition from many different sources, including commercial pharmaceutical and biotechnology enterprises, academic institutions, government agencies, and private and public research institutions. Our product candidates, if successfully developed and approved, will compete with established therapies, as well as new treatments that may be introduced by our competitors. Many of our competitors have significantly greater financial, product development, manufacturing and marketing resources than us. Large pharmaceutical companies have extensive experience in clinical testing and obtaining regulatory approval for drugs. In addition, many universities and private and public research institutes are active in cancer research, some in direct competition with us. We also may compete with these organizations to recruit management, scientists and clinical development personnel. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. New developments, including the development of other pharmaceutical technologies and methods of treating disease, occur in the pharmaceutical and life sciences industries at a rapid pace. Developments by competitors may render our product candidates obsolete or noncompetitive. We will also face competition from these third parties in recruiting and retaining qualified personnel, establishing clinical trial sites and patient registration for clinical trials and in identifying and in-licensing new product candidates.

We rely completely on OvaMed and other third parties to manufacture our preclinical and clinical pharmaceutical supplies and expect to continue to rely on OvaMed and other third parties to produce commercial supplies of any approved product candidate, and our dependence on third party suppliers could adversely impact our business.

We are completely dependent on third party manufacturers for product supply. In particular, we rely and expect to continue to rely exclusively on OvaMed to supply us with our requirements of CNDO-201. OvaMed is currently producing this product at only one facility in Germany. If OvaMed becomes unable or unwilling to deliver sufficient quantities of CNDO-201 to us on a timely basis and in accordance with applicable specifications and other regulatory requirements, there could be a significant interruption of our CNDO-201 supply, which would adversely affect clinical development and commercialization of the product. Furthermore, if OvaMed or any other contract manufacturers cannot successfully manufacture material that conforms to our specifications and with FDA regulatory requirements, we will not be able to secure and/or maintain FDA approval for our product candidates.

We will also rely on our manufacturers to purchase from third-party suppliers the materials necessary to produce our product candidates for our anticipated clinical trials. There are a small number of suppliers for certain capital equipment and raw materials that are used to manufacture our product candidates. We do not have any control over the process or timing of the acquisition of these raw materials by our manufacturers. Moreover, we currently do not have any agreements for the commercial production of these raw materials. Any significant delay in the supply of a product candidate or the raw material components thereof for an ongoing clinical trial could considerably delay completion of our clinical trials, product testing and potential regulatory approval of our product candidates.

We do not expect to have the resources or capacity to commercially manufacture any of our proposed products, if approved, and will likely continue to be dependent upon third party manufacturers. Our dependence on third parties to manufacture and supply us with clinical trial materials and any approved products may adversely affect our ability to develop and commercialize our products on a timely basis.

If we are unable to establish sales and marketing capabilities or fail to enter into agreements with third parties to market and sell any products we may successfully develop, we may not be able to effectively market and sell any such products and generate product revenue.

We do not currently have the infrastructure for the sales, marketing and distribution of any of our product candidates, and must build this infrastructure or make arrangements with third parties to perform these functions in order to commercialize any products that we may successfully develop. The establishment and development of a sales force, either by us or jointly with a development partner, or the establishment of a contract sales force to market any products we may develop will be expensive and time-consuming and could delay any product launch. If we, or our development partners, are unable to establish sales and marketing capability or any other non-technical capabilities necessary to commercialize any products we may successfully develop, we will need to contract with third parties to market and sell such products. We may not be able to establish arrangements with third-parties on acceptable terms, if at all.

If any product candidate that we successfully develop does not achieve broad market acceptance among physicians, patients, healthcare payors and the medical community, the revenues that it generates from their sales will be limited.

Even if our product candidates receive regulatory approval, they may not gain market acceptance among physicians, patients, healthcare payors and the medical community. Coverage and reimbursement of our product candidates by third-party payors, including government payors, generally is also necessary for commercial success. The degree of market acceptance of any approved products will depend on a number of factors, including:

- the efficacy and safety as demonstrated in clinical trials;

- the clinical indications for which the product is approved;
- acceptance by physicians, major operators of hospitals and clinics and patients of the product as a safe and effective treatment;
- the potential and perceived advantages of product candidates over alternative treatments;
- the safety of product candidates seen in a broader patient group, including its use outside the approved indications;
- the cost of treatment in relation to alternative treatments;
- the availability of adequate reimbursement and pricing by third parties and government authorities;
- relative convenience and ease of administration;
- the prevalence and severity of adverse events;
- the effectiveness of our sales and marketing efforts; and
- unfavorable publicity relating to the product.

If any product candidate is approved but does not achieve an adequate level of acceptance by physicians, hospitals, healthcare payors and patients, we may not generate sufficient revenue from these products and may not become or remain profitable.

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

We face an inherent risk of product liability exposure related to the testing of our product candidates in human clinical trials, and claims could be brought against us if use or misuse of one of our product candidates causes, or merely appears to have caused, personal injury or death. While we intend to obtain clinical liability insurance prior to the commencement of any clinical trials, our coverage may not be sufficient to cover claims that may be made against us. Any claims against us, regardless of their merit, could severely harm our financial condition, strain our management and other resources or destroy the prospects for commercialization of the product which is the subject of any such claim.

Healthcare reform and restrictions on reimbursements may limit our financial returns.

Our ability or the ability of our collaborators to commercialize any of our product candidates that may receive the requisite regulatory approval may depend, in part, on the extent to which government health administration authorities, private health insurers and other organizations will reimburse consumers for the cost of these products. These third parties are increasingly challenging both the need for and the price of new drug products. Significant uncertainty exists as to the reimbursement status of newly approved therapeutics. Adequate third party reimbursement may not be available for our product candidates to enable us or our collaborators to maintain price levels sufficient to realize an appropriate return on their and our investments in research and product development.

If we fail to attract and retain key management and clinical development personnel, we may be unable to successfully develop or commercialize our product candidates.

We will need to expand and effectively manage our managerial, operational, financial and other resources in order to successfully pursue our clinical development and commercialization efforts. As a company with a limited number of personnel, we are highly dependent on the development, regulatory, commercial and financial expertise of the members of our senior management, in particular Glenn L. Cooper, M.D. our executive chairman, and Bobby W. Sandage, Jr., Ph.D, our president and chief executive officer. The loss of such individuals or the services of any of our other senior management could delay or prevent the further development

and potential commercialization of our product candidates and, if we are not successful in finding suitable replacements, could harm our business. Our success also depends on our continued ability to attract, retain and motivate highly qualified management and scientific personnel and we may not be able to do so in the future due to the intense competition for qualified personnel among biotechnology and pharmaceutical companies, as well as universities and research organizations. If we are not able to attract and retain the necessary personnel, we may experience significant impediments to our ability to implement our business strategy.

We use biological materials and may use hazardous materials, and any claims relating to improper handling, storage or disposal of these materials could be time consuming or costly.

We may use hazardous materials, including chemicals and biological agents and compounds, that could be dangerous to human health and safety or the environment. Our operations also produce hazardous waste products. Federal, state and local laws and regulations govern the use, generation, manufacture, storage, handling and disposal of these materials and wastes. Compliance with applicable environmental laws and regulations may be expensive, and current or future environmental laws and regulations may impair our product development efforts. In addition, we cannot entirely eliminate the risk of accidental injury or contamination from these materials or wastes. We do not carry specific biological or hazardous waste insurance coverage and our property and casualty and general liability insurance policies specifically exclude coverage for damages and fines arising from biological or hazardous waste exposure or contamination. Accordingly, in the event of contamination or injury, we could be held liable for damages or penalized with fines in an amount exceeding our resources, and our clinical trials or regulatory approvals could be suspended.

Our success depends upon our ability to protect our intellectual property and our proprietary technologies, and the intellectual property protection for our product candidates depends significantly on third parties.

Our success will depend, in large part, on obtaining and maintaining patent protection and trade secret protection for our product candidates and their formulations and uses, as well as successfully defending these patents against third-party challenges. UI and OvaMed are responsible for prosecuting and maintaining patent protection relating to CNDO-201 and UCLB is responsible for prosecuting and maintaining patent protection for CNDO-109, in each case at our expense. If UI, OvaMed and/or UCLB fail to appropriately prosecute and maintain patent protection for these product candidates, our ability to develop and commercialize these product candidates may be adversely affected and we may not be able to prevent competitors from making, using and selling competing products. This failure to properly protect the intellectual property rights relating to these product candidates could have a material adverse effect on our financial condition and results of operations.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that we or our partners will be successful in protecting our product candidates by obtaining and defending patents. These risks and uncertainties include the following:

- patent applications may not result in any patents being issued;
- patents that may be issued or in-licensed may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable, or otherwise may not provide any competitive advantage;
- our competitors, many of which have substantially greater resources than it and many of which have made significant investments in competing technologies, may seek, or may already have obtained, patents that will limit, interfere with, or eliminate our ability to make, use, and sell our potential products;
- there may be significant pressure on the U.S. government and other international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful as a matter of public policy regarding worldwide health concerns; and
- countries other than the United States may have patent laws less favorable to patentees than those upheld by United States courts, allowing foreign competitors a better opportunity to create, develop, and market competing products.

In addition to patents, we and our partners also rely on trade secrets and proprietary know-how. Although we have taken steps to protect our trade secrets and unpatented know-how, including entering into confidentiality agreements with third parties, and confidential information and inventions agreements with employees, consultants and advisors, third parties may still obtain this information or come upon this same or similar information independently. If any of these events occurs, or we otherwise lose protection for our trade secrets or proprietary know-how, the value of this information may be greatly reduced.

If we or our partners are sued for infringing intellectual property rights of third parties, it will be costly and time consuming, and an unfavorable outcome in that litigation would have a material adverse effect on our business.

Our success also depends upon our ability and the ability of any of our future collaborators to develop, manufacture, market and sell our product candidates without infringing the proprietary rights of third parties. Numerous United States and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which we are developing products, some of which may be directed at claims that overlap with the subject matter of our intellectual property. Because patent applications can take many years to issue, there may be currently pending applications, unknown to us, which may later result in issued patents that our product candidates or proprietary technologies may infringe. Similarly, there may be issued patents relevant to our product candidates of which we are not aware.

There is a substantial amount of litigation involving patent and other intellectual property rights in the biotechnology and biopharmaceutical industries generally. If a third party claims that we or any of our licensors, suppliers or collaborators infringe the third party's intellectual property rights, we may have to:

- obtain licenses, which may not be available on commercially reasonable terms, if at all;
- abandon an infringing product candidate or redesign our products or processes to avoid infringement;
- pay substantial damages, including treble damages and attorneys' fees in an exceptional case, which we may have to pay if a court decides that the product or proprietary technology at issue infringes on or violates the third party's rights;
- pay substantial royalties, fees and/or grant cross licenses to our technology; and/or
- defend litigation or administrative proceedings which may be costly whether we win or lose, and which could result in a substantial diversion of our financial and management resources.

We may be involved in lawsuits to protect or enforce our patents or the patents of our licensors, which could be expensive, time consuming and unsuccessful.

Competitors may infringe our patents or the patents of our licensors. To counter infringement or unauthorized use, we may be required to file infringement claims, which can be expensive and time-consuming. An adverse result in any litigation or defense proceedings could put one or more of our patents at risk of being invalidated, found to be unenforceable, or interpreted narrowly and could put our patent applications at risk of not issuing. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation.

We may be subject to claims that our consultants or independent contractors have wrongfully used or disclosed alleged trade secrets of their other clients or former employers to us.

As is common in the biotechnology and pharmaceutical industry, we engage the services of consultants to assist us in the development of our product candidates. Many of these consultants were previously employed at, or may have previously been or are currently providing consulting services to, other biotechnology or pharmaceutical companies, including our competitors or potential competitors. We may become subject to claims that we or

these consultants have inadvertently or otherwise used or disclosed trade secrets or other proprietary information of their former employers or their former or current customers. 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.

Risks Relating to our Finances, Capital Requirements and Other Financial Matters

We are a development stage company with a history of operating losses that are expected to continue and we are unable to predict the extent of future losses, whether we will generate significant revenues or whether we will achieve or sustain profitability.

We are a company in the development stage and our prospects must be considered in light of the uncertainties, risks, expenses and difficulties frequently encountered by companies in their early stages of operations. We have generated operating losses in all periods since our inception in June 2006 and, at March 31, 2011, we had an accumulated deficit of approximately $42.8 million. We expect to make substantial expenditures and incur increasing operating costs in the future and our accumulated deficit will increase significantly as we expand development and clinical trial efforts for our product candidates. Our losses have had, and are expected to continue to have, an adverse impact on our working capital, total assets and stockholders' equity. Because of the risks and uncertainties associated with product development, we are unable to predict the extent of any future losses, whether we will ever generate significant revenues or if we will ever achieve or sustain profitability.

We will need substantial additional funding and may be unable to raise capital when needed, which would force us to delay, reduce or eliminate our development programs or commercialization efforts.

Our operations have consumed substantial amounts of cash since inception. We expect to continue to spend substantial amounts on product development, including conducting clinical trials for our product candidates, manufacturing clinical supplies and potentially expanding our development programs. We believe that our cash on hand will sustain our operations through 2012 and that we will require substantial additional funds to support our continued research and development activities, as well as the anticipated costs of preclinical studies and clinical trials, regulatory approvals and potential commercialization, past 2012. We have based this estimate, however, on assumptions that may prove to be wrong, and we could spend our available financial resources much faster than we currently expect.

Until such time, if ever, as we can generate a sufficient amount of product revenue and achieve profitability, we expect to finance future cash needs through equity or debt financings or corporate collaboration and licensing arrangements. We currently have no commitments or agreements relating to any of these types of transactions and we cannot be certain that additional funding will be available on acceptable terms, or at all. If we are unable to raise additional capital when required or on acceptable terms, we may have to significantly delay, significantly curtail or eliminate one or more of our product development programs.

Raising additional funds by issuing securities or through licensing or lending arrangements may cause dilution to our existing stockholders, restrict our operations or require us to relinquish proprietary rights.

To the extent that we raise additional capital by issuing equity securities, the share ownership of existing stockholders will be diluted. Any future debt financing may involve covenants that restrict our operations, including limitations on our ability to incur liens or additional debt, pay dividends, redeem our stock, make certain investments and engage in certain merger, consolidation or asset sale transactions, among other restrictions. In addition, if we raise additional funds through licensing arrangements, it may be necessary to relinquish potentially valuable rights to our product candidates, or grant licenses on terms that are not favorable to us.

If we fail to maintain proper and effective internal control over financial reporting in the future, our ability to produce accurate and timely financial statements could be impaired, which could harm our operating results, investors' views of us and, as a result, the value of our common stock.

Pursuant to Section 404 of the Sarbanes-Oxley Act of 2002 and related rules (collectively, "SOX"), commencing the year following our first annual report required to be filed with the SEC, our management will be required to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, we may need to upgrade our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff.

As a private company with limited resources, historically we have not had sufficient accounting and supervisory personnel with the appropriate level of technical accounting experience and training necessary for, or adequate documented accounting policies and procedures to support effective internal controls. These material weaknesses have contributed to audit adjustments for the years ended December 31, 2010, 2009 and 2008. While we have commenced the process of documenting, reviewing and improving our internal controls over financial reporting for compliance with Section 404 of SOX and have made efforts to improve our internal controls and accounting policies and procedures, including hiring new accounting personnel and engaging external temporary resources, we may continue to identify deficiencies and weaknesses in our internal controls. If material weaknesses or deficiencies in our internal controls exist and go undetected, our financial statements could contain material misstatements that, when discovered in the future could cause us to fail to meet our future reporting obligations and cause the price of our common stock to decline.

Risks Associated with our Capital Stock

One of our directors and principal stockholders can individually control our direction and policies, and his interests may be adverse to the interests of our other stockholders.

At June 30, 2011, Lindsay A. Rosenwald, M.D., a member of our board of directors, beneficially owned approximately 18.2% of our issued and outstanding capital stock, and certain trusts established for the benefit of Dr. Rosenwald and his family members additionally beneficially owned an aggregate of approximately 7.8% of our issued and outstanding capital stock. By virtue of his holdings and his membership on our board of directors, Dr. Rosenwald may influence the election of the members of our board of directors, our management and our affairs and may make it difficult for us to consummate corporate transactions such as mergers, consolidations or the sale of all or substantially all of our assets that may be favorable from our standpoint or that of our other stockholders.

No public market exists for our securities and we cannot assure you that our common stock will be listed on any securities exchange or quoted on any over-the-counter quotation system or that an active trading market will ever develop for any of our securities.

There is no public market for our capital stock. Following the effectiveness of this Form 10, we intend to register for resale under the Securities Act of 1933, as amended (the "Securities Act"), the common stock issuable upon conversion of our preferred stock and will seek to list our common stock on the NYSE Amex or the NASDAQ Stock Market. We cannot assure you that we will be able to meet the initial listing standards of any of such markets or any other stock exchange, or predict the timing of such listing or that, if listed, we will be able to maintain such a listing. If our common stock is listed on an over-the-counter system, an investor may find it more difficult to dispose of shares or obtain accurate quotations as to the market value of our common stock.

Because we are becoming a reporting company under the Exchange Act by means of filing this Form 10, we may not be able to attract the attention of research analysts at major brokerage firms.

Because we do not intend to become a reporting company by conducting an underwritten initial public offering ("IPO") of our common stock, we do not expect security analysts of major brokerage firms to provide coverage of our company in the near future. In addition, major investment banks may be less likely to agree to underwrite secondary offerings on our behalf than they might if we were to become a public reporting company by means of an IPO. The failure to receive research coverage or support in the market for our shares will have an adverse effect on our ability to develop a liquid market for our common stock.

Our common stock may become subject to the SEC's penny stock rules, so broker-dealers may experience difficulty in completing customer transactions and trading activity in our securities may be adversely affected.

The SEC has adopted regulations which generally define "penny stock" to be an equity security that has a market price of less than $5.00 per share, subject to specific exemptions. The market price of our common stock may be less than $5.00 per share for some period of time and therefore would be a "penny stock" according to SEC rules, unless we are listed on a national securities exchange. Under these rules, broker-dealers who recommend such securities to persons other than institutional accredited investors must:

- make a special written suitability determination for the purchaser;
- receive the purchaser's prior written agreement to the transaction;
- provide the purchaser with risk disclosure documents which identify certain risks associated with investing in "penny stocks" and which describe the market for these "penny stocks" as well as a purchaser's legal remedies; and
- obtain a signed and dated acknowledgment from the purchaser demonstrating that the purchaser has actually received the required risk disclosure document before a transaction in a "penny stock" can be completed.

If required to comply with these rules, broker-dealers may find it difficult to effectuate customer transactions and trading activity in our securities may be adversely affected.

The market price of our common stock may be volatile and may fluctuate in a way that is disproportionate to our operating performance.

Even if an active trading market develops for our common stock, our stock price may experience substantial volatility as a result of a number of factors, including:

- sales or potential sales of substantial amounts of our common stock;
- delay or failure in initiating or completing pre-clinical or clinical trials or unsatisfactory results of these trials;
- announcements about us or about our competitors, including clinical trial results, regulatory approvals or new product introductions;
- developments concerning our licensors or product manufacturers;
- litigation and other developments relating to our patents or other proprietary rights or those of our competitors;
- conditions in the pharmaceutical or biotechnology industries;
- governmental regulation and legislation;
- variations in our anticipated or actual operating results; and
- change in securities analysts' estimates of our performance, or our failure to meet analysts' expectations.

Many of these factors are beyond our control. The stock markets in general, and the market for pharmaceutical and biotechnological companies in particular, have historically experienced extreme price and volume fluctuations. These fluctuations often have been unrelated or disproportionate to the operating performance of these companies. These broad market and industry factors could reduce the market price of our common stock, regardless of our actual operating performance

Following the effectiveness of this Form 10, we intend to file a registration statement on Form S-1 to register for resale the shares underlying our preferred stock. The availability of a substantial number of shares for resale may adversely impact any trading market that may develop for our common stock.

We intend to file a registration statement on Form S-1 under the Securities Act shortly following the effectiveness of this Form 10 to permit the resale of the shares of common stock underlying our outstanding preferred stock. Following the effective date of such registration statement, a large number of shares of common stock will become available for sale in the public market. In addition, there are a substantial number of shares of our common stock underlying outstanding options and warrants. The availability of a substantial number of shares for resale under the registration statement or pursuant to Rule 144 promulgated under the Securities Act may adversely impact any trading market that may develop for our common stock.

We have never paid and do not intend to pay cash dividends.

We have never paid cash dividends on any of our capital stock and we currently intend to retain future earnings, if any, to fund the development and growth of our business.

Item 2. Financial Information.

Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

Statements in the following discussion and throughout this report that are not historical in nature are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. You can identify forward-looking statements by the use of words such as "expect," "anticipate," "estimate," "may," "will," "should," "intend," "believe," and similar expressions. Although we believe the expectations reflected in these forward-looking statements are reasonable, such statements are inherently subject to risk and we can give no assurances that our expectations will prove to be correct. Actual results could differ from those described in this report because of numerous factors, many of which are beyond our control. These factors include, without limitation, those described under Item 1A "Risk Factors." We undertake no obligation to update these forward-looking statements to reflect events or circumstances after the date of this report or to reflect actual outcomes. Please see "Forward Looking Statements" at the beginning of this Form 10.

The following discussion of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes thereto and other financial information appearing elsewhere in this Form 10.

Overview

We are a biopharmaceutical company focused on the development of novel immunotherapy agents for inflammatory diseases and cancer. Our two principal pharmaceutical product candidates in clinical development are:

- CNDO-201, a biologic comprising TSO for the treatment of autoimmune diseases such as Crohn's and MS that we sublicense from OvaMed ; and
- CNDO-109, a compound that activates NK cells of the immune system to seek and destroy cancer cells, for the treatment of acute myeloid leukemia.

We acquired the CNDO-201 sublicense in January 2011 from Asphelia for an aggregate purchase price of $20.7 million, consisting of 2,525,677 shares of our Series B Convertible Preferred Stock ("Series B shares") valued at $6.38 per share, the assumption of promissory notes due to Paramount Credit Partners, LLC ("PCP") in the amount of $750,000 and the assumption of Asphelia's obligation to reimburse OvaMed for certain development costs and paid cash of $3.8 million, including $3.4 million to OvaMed and $0.4 million for repayment of Asphelia's debt to related parties. Under the terms of the sublicense agreement, we are required to make annual license payments to OvaMed of $250,000, reimburse patent expenses, make potential future payments totaling up to $5.45 million upon the achievement of various milestones related to regulatory events for the first product, and make additional milestone payments upon the achievement of regulatory events relating to subsequent indications. In the event that CNDO-201 is commercialized, we will be obligated to pay annual royalties based upon net sales of the product as well as a portion of any sublicense revenues. We are also required to purchase our clinical and commercial requirements of CNDO-201 from OvaMed at pre-determined prices.

We acquired an exclusive worldwide license to CNDO-109 in November 2007 from UCLB. In consideration for the license, we paid UCLB initial license fees totaling $100,000 and are required to make future milestone payments totaling up to $22 million upon the achievement of various milestones related to regulatory events for the first three indications. If CNDO-109 is commercialized, we will be obligated to pay to UCLB annual royalties based upon net sales of the product or a portion of sublicensing revenues.

Critical Accounting Policies and Use of Estimates

Our discussion and analysis of our financial condition and results of operations are based on our consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosure of contingent assets and liabilities in our financial statements. On an ongoing basis, we evaluate our estimates and judgments, including those related to accrued expenses and stock-based compensation. We base our estimates on historical experience, known trends and events and various other factors that are believed to be reasonable under the circumstances, the results of which form 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.

Our significant accounting policies are described in more detail in the notes to our consolidated financial statements appearing elsewhere in this Form 10. We believe the following accounting policies to be most critical to the judgments and estimates used in the preparation of our consolidated financial statements.

Research and Development (R&D) Expenses

As part of the process of preparing our consolidated financial statements, we are required to estimate our accrued R&D expenses. This process involves reviewing open contracts and purchase orders, reviewing the terms of our license agreements, 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. The majority of our service providers invoice us monthly in arrears for services performed. We make estimates of our accrued expenses as of each balance sheet date in our consolidated financial statements based on facts and circumstances known to us at that time. We periodically confirm the accuracy of our estimates with the service providers and make adjustments if necessary. Examples of estimated accrued R&D expenses include fees to:

- contract research organizations and other service providers in connection with clinical studies;
- investigative sites in connection with clinical studies;
- contract manufacturers in connection with the production of clinical trial materials; and
- vendors in connection with the preclinical development activities.

We base our expenses related to clinical studies on our estimates of the services received and efforts expended pursuant to contracts with multiple research institutions and contract research organizations that conduct and manage clinical studies on our behalf. The financial terms of these agreements are subject to negotiation, vary from contract to contract and may result in uneven payment flows and expense recognition. Payments under some of these contracts depend on factors such as the successful enrollment of patients and the completion of clinical trial milestones. 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 the actual timing of the performance of services or the level of effort varies from our estimate, we adjust the accrual accordingly. Our understanding of the status and timing of services performed relative to the actual status and timing of services performed may vary and may result in our reporting changes in estimates in any particular period.

Expenses related to annual license fees are accrued on a pro rata basis throughout the year. Milestone payments are recognized and accrued upon achievement of each milestone event.

Stock-Based Compensation

We expense stock-based compensation to employees over the requisite service period based on the estimated grant-date fair value of the awards and considering estimated forfeiture rates. For stock-based compensation awards to non-employees, we re-measure the fair value of the non-employee awards at each reporting period prior to vesting and finally at the vesting date of the award. Changes in the estimated fair value of these non-employee awards are recognized as compensation expense in the period of change.

Determining the appropriate fair value of stock-based awards requires the use of subjective assumptions. In the absence of a public trading market for our common stock, we conducted periodic assessments of the valuation of our common stock. These valuations were performed concurrently with the achievement of significant milestones or with major financing. We use a Black-Scholes option-pricing model to determine the fair value of stock options. The determination of the grant date fair value of options using an option-pricing model is affected by our estimated common stock fair value as well as assumptions regarding a number of other subjective variables. These variables include the fair value of our common stock, our expected stock price volatility over the expected term of the options, stock option exercise and cancellation behaviors, risk-free interest rates, and expected dividends, which are estimated as follows:

- Fair Value of our Common Stock. Because our stock is not publicly traded, we must estimate the fair value of common stock, as discussed in "Common Stock Valuations" below.
- Expected Term. Due to the limited exercise history of the Company's own stock options, the Company determined the expected term based on the stratification of employee groups and the expected effect of events that have indications on future exercise activity.
- Volatility. As we do not have a trading history for our common stock, the expected stock price volatility for our common stock was estimated by taking the average historic price volatility for industry peers based on daily price observations over a period equivalent to the expected term of the stock option grants. Industry peers consist of several public companies in the biopharmaceutical industry similar in size, stage of life cycle and financial leverage. We did not rely on implied volatilities of traded options in our industry peers' common stock because the volume of activity was relatively low. We intend to continue to consistently apply this process using the same or similar public companies until a sufficient amount of historical information regarding the volatility of our own common stock share price becomes available, or unless circumstances change such that the identified companies are no longer similar to us, in which case, more suitable companies whose share prices are publicly available would be utilized in the calculation.
- Risk-free Rate. The risk-free interest rate is based on the yields of U.S. Treasury securities with maturities similar to the expected term of the options for each option group.
- Dividend Yield. We have never declared or paid any cash dividends and do not presently plan to pay cash dividends in the foreseeable future. Consequently, we used an expected dividend yield of zero.

The estimation of the number of stock awards that will ultimately vest requires judgment, and to the extent actual results or updated estimates differ from our current estimates, such amounts will be recorded as a cumulative adjustment in the period in which estimates are revised. We consider many factors when estimating expected forfeitures, including types of awards, employee class and historical experience. Actual results, and future changes in estimates, may differ substantially from our current estimates.

For the years ended December 31, 2008, 2009, and 2010, stock-based compensation expense was $25,000, $39,000 and $2.3 million, respectively. For the three month periods ended March 31, 2010 and 2011, stock-based compensation expense was $1.0 million and $0.1 million, respectively. As of December 31, 2010, we had approximately $1.4 million of total unrecognized compensation expense, net of related forfeiture estimates which we expect to recognize over a weighted-average period of approximately 2.8 years.

If any of the assumptions used in a Black-Scholes model changes significantly, stock-based compensation for future awards may differ materially compared with the awards granted previously.

Common Stock Valuations

The fair value of the common stock underlying our stock options, common stock warrants and restricted stock was determined by our board of directors, which intended 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.

However, certain options granted on October 5, 2010 were granted with an exercise price that was below the fair value of our common stock as determined by an independent valuation as of that date. All other options previously granted or to be granted in the future were or are expected to be granted at the grant date fair value. The valuations of our common stock were determined 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. The assumptions we use in the valuation model are based on future expectations combined with management judgment. In the absence of a public trading market, our board of directors with input from management exercised significant judgment and considered numerous objective and subjective factors to determine the fair value of our common stock as of the date of each option, restricted stock and warrant grant, including the following factors:

- arm's length private transactions involving our preferred stock, including the sale of our Series A Convertible Preferred Stock ("Series A shares") at $8.39 per share in 2010;
- independent valuations performed by knowledgeable experts in the field;
- our operating and financial performance;
- market conditions;
- developmental milestones achieved;
- business risks; and
- management and board experience

In valuing our common stock, we have used a variety of methodologies that have evolved as the life cycle of our company has progressed. For the underlying valuations of our common stock in periods prior to December 31, 2009, given the early stage of our company and its development programs, we used a cost approach to estimate the fair value of our commons stock. The cost approach is based on the premise that an investor would pay no more for an asset than its replacement or reproduction cost. The cost to replace the asset would include the cost of constructing a similar asset of equivalent utility at prices applicable at the time of the valuation analysis. Under this methodology, a valuation analysis is performed for the company's identified fixed, financial, intangible and other assets. The derived aggregate fair value of the assets is then netted against the estimated fair value of all existing and potential liabilities, resulting in an indication of the fair value of total equity. This approach was considered an appropriate indication of value as the programs were still in early stages of the development cycle.

As our business and programs evolved, beginning in 2010, we migrated away from the cost approach to a market approach to incorporate the indication of value established through our development efforts and reflected in our Series A Preferred Stock issuances during 2010. Under this approach, the business enterprise value was established based on the contemporaneous equity offerings. Pursuant to the AICPA Guidelines, an option pricing method was used to value the shares, using a contingent claims analysis, which applies a series of call options whose inputs reflect the liquidation preferences and conversion behavior of the different classes of equity. The value of the common stock was then derived by analyzing the fair value of these options. After the equity value of the business enterprise was determined, the total equity value of any equity instruments such as preferred stock, stock options, restricted stock and warrants outstanding and the concluded common stock value on a converted basis is allocated. Next, the option pricing method was used to allocate the residual equity value (inclusive of any infusion of cash from in-the-money options and warrants) to the common stock of the company. Since the Company's shares are not publicly traded, a discount for lack of marketability was applied . This lack of marketability discount was estimated to be 10% for the 2010 valuations, using a theoretical put option model that captures the cost to ensure stock could be sold at the price prevailing at the valuation date after the time required to finding a market, or the time until an expected liquidity event. The put option model considers the expected time to a liquidity event, estimated volatility based on peer company data, risk free interest rates and management judgment. The ultimate fair values of the Company's common stock was used as an input in determining the fair value of the warrants, restricted stock and stock options at various period of time.

Results of Operations

General

To date, we have not generated any revenues from operations and at March 31, 2011 had an accumulated deficit of $42.8 million primarily as a result of expenditures for research and development, general and administrative expenses and purchase of in-process research and development. While we may in the future generate revenue from a variety of sources, including license fees, milestone payments, research and development payments in connection with strategic partnerships and/or product sales, our product candidates are at an early stage of development and may never be successfully developed or commercialized. Accordingly, we expect to continue to incur substantial losses from operations for the foreseeable future and there can be no assurance that we will ever generate significant revenues.

R&D Expenses

Conducting research and development is central to our business model. For the years ended December 31, 2008, 2009 and 2010 and the three months ended March 31, 2011, R&D expenses were $2.9 million, $2.3 million, $8.3 million and $1.2 million, respectively, and $17.2 million for the period from inception (June 28, 2006) to March 31, 2011. R&D expenses consist primarily of:

- employee-related expenses, which include salaries and benefits, and rent expense;
- license fees and milestone payments related to in-licensed products and technology;
- expenses incurred under agreements with contract research organizations, investigative sites and consultants that conduct our clinical trials and a substantial portion of our preclinical activities;
- the cost of acquiring and manufacturing clinical trial materials; and
- costs associated with non-clinical activities, patent filings and regulatory approvals.

We expect to continue to incur substantial expenses related to our research and development activities for the foreseeable future as we continue product development. Since product candidates in later stages of clinical development generally have higher development costs than those in earlier stages of clinical development, primarily due to the increased size and duration of later stage clinical trials, we expect that our R&D expenses will increase in the future. In addition, if our product development efforts are successful, we expect to incur substantial costs to prepare for potential commercialization of any late-stage product candidates and, in the event one or more of these product candidates receive regulatory approval, to fund the launch of the product.

From inception through March 31, 2011, direct, external development costs incurred for our CNDO 109 product development program was $2.8 million. From inception through March 31, 2011, direct, external development costs incurred for our CNDO 201 product development program was $0.3 million, excluding $20.7 million of in-process-research and development costs related to our acquisition of the product in the three month period ended March 31, 2011. Our results of operations for the years ended December 31, 2008, 2009 and 2010 and the three months ended March 31, 2010 and 2011 include direct, external development costs incurred in connection with two product development programs that have been discontinued. From inception through March 31, 2011, such expenses totaled $5.2 million.

General and Administrative ("G&A") Expenses

G&A expenses consist principally of personnel-related costs, professional fees for legal, consulting, audit and tax services, rent and other general operating expenses not otherwise included in R&D. For the years ended December 31, 2008, 2009 and 2010 and the three months ended March 31, 2011, G&A expenses were $0.3 million, $0.3 million, $0.9 million and $0.6 million, respectively. We anticipate G&A expenses will increase in future periods, reflecting:

- support of our expanded research and development activities;

- an expanding infrastructure and increased professional fees associated with being a reporting company under the Exchange Act; and
- increased business development activity.

Comparison of Years Ended December 31, 2010 and 2009

($ in thousands)	For the Year Ended December 31, 2010	2009	Variance $	%
Operating expenses:				
Research and development	$ 8,341	$ 2,270	$ 6,071	267%
General and administrative	900	343	557	162%
Loss from operations	(9,241)	(2,613)	(6,628)	254%
Interest income	61	—	61	NM
Interest expense, net	(1,535)	(1,053)	(482)	46%
Other income	733	—	733	NM
Net loss	$(9,982)	$(3,666)	$(6,316)	172%

NM -Not meaningful

R&D expenses increased $6.1 million from the year ended December 31, 2009 to the year ended December 31, 2010. This increase was attributable to $2.3 million higher non-cash charges for stock-based compensation, $2.2 million higher salaries and administrative costs associated with increased staffing and related overhead costs, $1.7 million higher expenses related to the technology transfer for CNDO-109 to a GMP environment, and $0.3 million higher costs relating to our two discontinued product development programs.

G&A expenses increased $0.6 million from the year ended December 31, 2009 to the year ended December 31, 2010. This increase is primarily attributable to higher legal, accounting and other professional expenses and increased personnel-related costs due to increased staffing to support our product development programs and establish and infrastructure to support growth.

Interest income was $61,000 for the year ended December 31, 2010. There was minimal interest income for the year ended December 31, 2009. The interest income in 2010 was primarily attributable to cash balances resulting from the proceeds of our Series A shares issued in April 2010.

Other income of $0.7 million for the year ended December 31, 2010 reflects the government grant received by us under the Therapeutic Discovery Project. This income will not be recurring.

Interest expense, net includes interest on our senior notes, related party notes and the amortization of costs associated with charges for the issuance of debt. For the year ended December 31, 2010 total interest expense, net, was $1.5 million, compared with $1.1 million for the year ended December 31, 2009. $0.8 million in 2010 related to the amortization of the embedded conversion feature of the senior convertible and related party notes, partially offset by reduced interest expense on this debt that converted to Series A shares in April 2010.

Comparison of Years Ended December 31, 2009 and 2008

($ in thousands)	For the Year Ended December 31, 2009	2008	Variance $	%
Operating expenses:				
Research and development	$ 2,270	$ 2,895	$(625)	(22)%
General and administrative	343	348	(5)	(1)%
Loss from operations	(2,613)	(3,243)	630	(19)%
Interest income	—	18	(18)	NM
Interest expense, net	(1,053)	(573)	(480)	84%
Net loss	$(3,666)	$(3,798)	$ 132	(3)%

NM -Not meaningful

R&D expenses were $2.3 million for the year ended December 31, 2009, compared to $2.9 million for the year ended December 31, 2008. The $0.6 million decrease was primarily attributable to reduced service provider fees related to our discontinued product development programs.

G&A expenses remained relatively stable during the years ended December 31 2008 and 2009 and consisted primarily of internal salaries and external legal and accounting costs.

Interest income for the years ended December 31, 2009 and 2008 was not significant.

Interest expense, net for the year ended December 31, 2009 was $1.1 million compared to $0.6 million for the year ended December 31, 2008. This increase of $0.5 million is primarily attributable to the issuance of a second bridge note of $3.5 million in the third quarter of 2009.

Comparison of Three Months Ended March 31, 2011 and 2010

($ in thousands)	For the Three Months Ended March 31, 2011	2010	Variance $	%
Operating expenses:				
Research and development	$ 1,246	$ 2,250	$ (1,004)	-45%
General and administrative	593	52	541	1040%
In-process research and development	20,706	—	20,706	NM
Loss from operations	(22,545)	(2,302)	(20,243)	879%
Interest income	19	—	19	NM
Interest expense, net	(17)	(1,114)	1,097	(98)%
Net loss	$(22,543)	$(3,416)	$(19,127)	560%

NM -Not meaningful

R&D expenses decreased $1.0 million, or 45%, from $2.2 million to $1.2 million for the three months ended March 31, 2010 and 2011, respectively. This was primarily due to a $0.8 million decrease in stock-based compensation expense related to the final vesting of restricted common stock issued to non-employees in 2007 and fully vested in 2010 and $0.4 million decrease in development costs related to CNDO-101 due to study

initiation expenses incurred in 2010. These decreases were partially offset by higher personnel costs of $0.2 million which was attributable to increased headcount and consulting expenses related to development of our products.

G&A expenses increased $0.5 million from $52,000 to $593,000 for the three months ended March 31, 2010 and 2011, respectively. The increase in general and administrative expenses was primarily due to a $0.3 million increase in legal fees, $0.1 million increase in other professional fees and $0.1 million increase in personnel costs related to increased business activity.

On January 7, 2011, we acquired from Asphelia a sublicense and related agreements for CNDO-201, an early stage development compound, and assumed certain liabilities of Asphelia. In exchange for the assets, we issued 2,525,677 Series B shares valued at $6.38 per share, assumed the PCP promissory note of $750,000 and a cash payment of approximately $3.8 million, including $3.4 million to OvaMed and $0.4 million for repayment of Asphelia's debt to related parties. The total consideration paid in connection with the acquisition of Asphelia's assets and assumption of related liabilities was $20.7 million, which was recorded as in-process research and development expense in the consolidated statement of operations for the three months ended March 31, 2011.

In the three months ended March 31, 2011, $17,000 of interest expense related to the PCP note of $750,000 which was assumed in connection with the Asphelia acquisition. In the three months ended March 31, 2010, the $1.1 million of interest expense related to an aggregate of $9.9 million of debt which was either repaid or converted to our Series A shares between April 2010 and December 2010.

The increase in interest income for the three months ended March 31, 2011 compared to the same period last year was primarily due to higher cash balances.

Liquidity and Capital Resources

To date, we have funded our operations through the sale of debt and equity securities. At March 31, 2011, we had cash and cash equivalents of $9.3 million. Between May 2011 and July 2011, we completed a private placement of our Series C Convertible Preferred Stock ("Series C shares") which resulted in net proceeds, after placement agent commissions and offering expenses, of approximately $22.8 million. At July 1, 2011, we had cash and cash equivalents of $29.6 million. The following table summarizes our funding sources as of July 1, 2011:

($ in thousands)

Issue	Year	No. Shares	Proceeds
Related party promissory notes (1)	2006	NA	$ 21
Common Stock	2007	4,762,226	5
Related party promissory notes (1)	2007	NA	1,493
Related party promissory notes (1)	2008	NA	315
Bridge note financing and warrants (1)	2008	NA	4,070
Related party promissory notes	2009	NA	90
Related party promissory note and warrants	2009	NA	570
Bridge note financing and warrants(1)	2009	NA	3,500
Related party promissory notes (1)	2010	NA	302
Series A Redeemable Convertible Preferred Stock, net	2010	2,584,166	21,681
Series C Redeemable Convertible Preferred Stock, net (2)	2011	4,612,624	22,800
			$54,847

(1) Aggregate outstanding principal and interest converted to 1,773,719 shares of Series A Convertible Preferred Stock in 2010.
(2) Net proceeds are estimated.

As of December 31, 2010, all notes and other debt was either repaid or converted into our Series A shares. At March 31, 2011, we had outstanding $750,000 of promissory notes due to PCP which we assumed from Asphelia. These notes are due in December 2013.

Management believes that cash and cash equivalents, including cash raised in the Series C Convertible Preferred Stock financing ("Series C Financing"), are sufficient to sustain operations through 2012 based on our existing business plan and given the ability to control the timing of significant expense commitments.

We expect to incur substantial expenditures in the foreseeable future for the research, development and potential commercialization of its product candidates. We will require additional financing to develop, obtain regulatory approvals, fund operating losses, and, if deemed appropriate, establish manufacturing, sales and marketing capabilities. We will seek funds through equity or debt financings, collaborative or other arrangements with corporate sources, or through other sources of financing. Adequate additional funding may not be available to us on acceptable terms or at all. Our failure to raise capital as and when needed could have a negative impact on our financial condition and our ability to pursue our business strategies. If adequate funds are not available to us, we may be required to delay, reduce or eliminate research and development programs.

Cash Flows for the Three Years Ended December 31, 2010, 2009 and 2008

	For the Year Ended December 31,		
($ in thousands)	2010	2009	2008
Statement of Cash Flows Data:			
Total cash provided by (used in):			
Operating activities	$ (5,677)	$(2,351)	$(3,523)
Investing activities	(13)	(2)	—
Financing activities	19,042	3,856	3,445
Increase (decrease) in cash and cash equivalents	$13,352	$ 1,503	$ (78)

Operating Activities

Cash used in operating activities increased $3.3 million from the year ended December 31, 2009 to the year ended December 31, 2010 primarily due to increased operating expenses partially offset by the government grant received in 2010.

Cash used in operating activities decreased $1.2 million from the year ended December 31, 2008, to the year ended December 31, 2009 primarily due to cash provided from a $0.6 million net change in the components of operating assets and liabilities, a $0.2 million increase in noncash interest expense, a $0.2 million amortization of deferred financing costs and a $0.1 million decrease in net loss.

Investing Activities

Cash used in investing activities for the years ended December 31, 2010 and 2009 was not significant.

Financing Activities

Cash provided by financing activities increased $15.2 million from the year ended December 31, 2009 to the year ended December 31, 2010 primarily due to the issuance of our Series A shares which resulted in net proceeds of $19.4 million in 2010, while the primary source of cash from financing activities in 2009 was $3.9 million from net debt proceeds.

Cash provided by financing activities increased $0.4 million from the year ended December 31, 2008 to the year ended December 31, 2009, primarily due to increased borrowings.

Cash Flows for the Three Months Ended March 31, 2011 and 2010

($ in thousands)	For the Three Months Ended March 31, 2011	2010
Statement of Cash Flows Data:		
Total cash provided by (used in):		
Operating activities	$(1,784)	$(1,638)
Investing activities	(3,809)	—
Financing activities	—	287
Increase (decrease) in cash and cash equivalents	$(5,593)	$(1,351)

Operating Activities

Net cash used in operating activities increased $0.1 million from the three months ended March 31, 2010 to the three months ended March 31, 2011. The increase in net loss of $19.1 million was offset by $20.7 million of noncash expense for in-process research and development expense related to the Asphelia asset purchase less a $0.9 million decrease in stock-based compensation and a $0.6 million decrease in the change in fair value of the senior convertible note warrant liability.

Investing Activities

Net cash used in investing activities was $3.8 million for the three months ended March 31, 2011 and consisted of cash payments related to the Asphelia asset purchase.

Financing Activities

Net cash provided by financing activities during the three months ended March 31, 2010 of $0.3 million consisted primarily of proceeds from our term note with Paramount Biosciences, LLC (“PBS”).

Contractual Obligations and Commitments

The following table summarizes our contractual obligations as of March 31, 2011, excluding amounts related to contingent milestone payments, as described below.

	Payments due by period				
($ in thousands)	Total	Less than 1 year	1 to 3 years	4 to 5 years	After 5 years
Notes Payable and interest	$ 956	$ 75	$ 881	$—	$ —
Annual sublicense fees (1)	3,750	250	750	500	2,250
Purchase and other obligations	1,386	278	1,108		
Total	$6,092	$ 603	$2,739	$500	$2,250

(1) Annual sublicense fees are projected through 2025. We have a right to terminate the related sublicense with a 30 day notice period.

In May 2011, we entered into a one-year office lease commencing August 2011 with monthly rental payments of $5,200.

Contingent Milestone Payments

Based on our development plans and license agreements in effect as of March 31, 2011, we have committed to make potential future milestone payments to our licensors upon achievement of certain development or regulatory milestones for each indication for which the licensed product is developed. Under the license agreement for CNDO-201, the milestone payments aggregate approximately $5.45 million for the first indication and $2 million for each subsequent indication. Under the UCLB license, the milestone payments aggregate approximately $22 million for the first three indications. Because the achievement of these milestones had not occurred as of March 31, 2011, such contingencies have not been recorded in our financial statements. We anticipate that we may incur expense for approximately $1.5 million of milestone payments in 2011, which would be paid in 2012, provided various development and regulatory milestones are achieved. Amounts related to contingent milestone payments are not included in the contractual obligations table above due to the uncertainty of the successful achievement of certain development activities, regulatory approval and commercial milestones.

Off-Balance Sheet Arrangements

We do not currently have, nor have we ever had, any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes. In addition, we do not engage in trading activities involving non-exchange traded contracts.

Quantitative and Qualitative Disclosures about Market Risks

We held no marketable securities at December 31, 2009 and 2010. Our existing debt is at a fixed rate and we currently do not have exposure to foreign currency fluctuations.

Internal Control Over Financial Reporting

Pursuant to Section 404 of SOX, commencing the year following our first annual report required to be filed with the SEC, our management will be required to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. To comply with the requirements of being a reporting company under the Exchange Act, we may need to upgrade our systems, including information technology, implement additional financial and management controls, reporting systems and procedures and hire additional accounting and finance staff.

As a private company with limited resources, historically we have not had sufficient accounting and supervisory personnel with the appropriate level of technical accounting experience and training necessary for, or adequate documented accounting policies and procedures to support effective internal controls. These material weaknesses have contributed to audit adjustments for the years ended December 31, 2010, 2009 and 2008. While we have commenced the process of documenting, reviewing and improving our internal controls over financial reporting for compliance with Section 404 of SOX and have made efforts to improve our internal controls and accounting policies and procedures, including hiring new accounting personnel and engaging external temporary resources, we may continue to identify deficiencies and weaknesses in our internal controls. If material weaknesses or deficiencies in our internal controls exist and go undetected, our financial statements could contain material misstatements that, when discovered in the future could cause us to fail to meet our future reporting obligations and cause the price of our common stock to decline.

Net Operating Loss Tax Carry-Forwards

As of December 31, 2010, we had net operating loss carryforwards of approximately $6.3 million to offset future federal income taxes through 2024. Current federal and state tax laws include substantial restrictions on the utilization of net operating loss and tax credits in the event of an ownership change. Even if the carryforwards are available, they may be subject to annual limitations, lack of future taxable income, or future ownership changes that could result in the expiration of the carryforwards before they are utilized. At December 31 2010, we recorded a 100% valuation allowance against our deferred tax assets of approximately $6.6 million, as our management believes it is uncertain that they will be fully realized. If we determine in the future that we will be able to realize all or a portion of our net operating loss carryforwards, an adjustment to our net operating loss carryforwards would increase net income in the period in which we make such a determination.

Item 3. Properties.

Our principal executive offices at 45 Rockefeller Plaza, Suite 2000, New York, New York 10111 are occupied under a lease expiring in August 2011. We intend to move our principal executive offices to 15 New England Executive Park, Burlington, Massachusetts 01803 and in furtherance thereof, on May 26, 2011, entered into a one-year lease for approximately 600 square feet of space providing for rental payments of approximately $5,200 per month.

Item 4. Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth, as of June 30, 2011, certain information concerning the beneficial ownership of our common stock by (i) each stockholder known by us to own beneficially five percent or more of our outstanding common stock; (ii) each director; (iii) each named executive officer; and (iv) all of our executive officers and directors as a group, and their percentage ownership and voting power.

Name and Address of Beneficial Owner (1)	Shares Beneficially Owned	Percentage Total Voting Power(2)
Glenn L. Cooper, M.D.	30,000(3)(4)	*
Bobby W. Sandage, Jr., Ph.D.	10,000(3)(5)	*
Dale Ritter	5,000(3)(6)	*
David J. Barrett	0(7)	*
Jimmie Harvey, Jr., M.D.	0(7)	*
J. Jay Lobell	323,175(7)(8)	1.7%
Michael W. Rogers	0(7)	*
Lindsay A. Rosenwald, M.D.	3,384,020(7)(9)	18.2%
Eric K. Rowinsky, M.D.	0	*
Hillel Gross (10)	1,000,000	5.4%
Manchester Securities Corp.	1,731,279(11)	9.3%
Brookline Investments Inc.	1,052,825(12)	5.7%
All officers and directors as a group (9 persons)(13)	3,752,195	20.1%

* Less than 1%.

(1) Unless otherwise indicated, the address of such individual is c/o Coronado Biosciences, Inc, 45 Rockefeller Plaza, Suite 2000, New York, New York 10111.

(2) Based upon an aggregate of 7,028,059 shares of common stock and 11,496,186 shares of preferred stock issued and outstanding as of June 30, 2011. We have three series of preferred stock outstanding, Series A shares, Series B shares and Series C shares. Each series of preferred stock votes together with the common stock on all matters, on an as-converted to common stock basis, and not as a separate class or series (except as otherwise may be required by applicable law). Each share of preferred stock is convertible into one share of common stock.

(3) Represents shares underlying preferred stock.
(4) Does not include options to purchase an aggregate of 290,235 shares of common stock that are not exercisable in the next 60 days.
(5) Does not include options to purchase an aggregate of 300,000 shares of common stock that are not exercisable in the next 60 days.
(6) Includes shares held jointly by Mr. Ritter and his spouse. Does not include options to purchase an aggregate of 120,000 shares of common stock that are not exercisable in the next 60 days.
(7) Does not include options to purchase 25,000 shares of common stock that are not exercisable in the next 60 days.
(8) Includes 27,175 shares of common stock issuable upon the exercise of a warrant that Mr. Lobell may be deemed to beneficially own as a limited partner of PCP.
(9) Includes (a) 1,197,270 shares underlying preferred stock, of which 395,369 shares are held directly by Dr. Rosenwald, 130,343 shares are held by Capretti Grandi, LLC and 671,558 shares are held by PBS, and (b) 2,186,750 shares of common stock, of which 2,047,632 shares are held directly by Dr. Rosenwald, 40,640 shares are held by Capretti Grandi, LLC, 71,303 shares are held by PBS and 27,175 shares are issuable upon the exercise of warrants issued to PCP. Dr. Rosenwald has voting and dispositive control over the shares held by Capretti Grandi, LLC, PBS and PCP. Does not include (i) 453,822 shares of common stock (including shares underlying preferred stock) held by LAR Family Trusts or (ii) 1,000,000 shares of common stock held by trusts established for the benefit of Dr. Rosenwald's family, over which Dr. Rosenwald does not have any voting or dispositive control.
(10) Mr. Gross is the trustee of four trusts established for the benefit of Lindsay Rosenwald and his family, which own an aggregate of 1,000,000 shares of our capital stock as follows: (a) Lindsay A. Rosenwald 2000 Irrevocable Indenture of Trust dated May 24, 2000 (Delaware) owns 720,000 shares of common stock; (b) Lindsay A. Rosenwald Alaska Irrevocable Indenture of Trust dated August 28, 2001 owns 80,000 shares of common stock; (c) Lindsay A. Rosenwald Nevada Irrevocable Indenture of Trust dated January 6, 2003 owns 100,000 shares of common stock; and (d) Lindsay A. Rosenwald Rhode Island Irrevocable Indenture of Trust dated August 28, 2001 owns 100,000 shares of common stock. Mr. Gross may be deemed to beneficially own the shares held by these trusts because he has sole voting and dispositive control over all shares held by these trusts. Mr. Gross's address is c/o AmTrust Financial Services, 59 Maiden Lane, 6th Floor, New York, NY 10038.
(11) Includes 1,525,398 shares underlying preferred stock, including 178,890 shares held by Elliot Associates and 268,336 shares held by Elliot International, each affiliates of Manchester Securities Corp. ("Manchester"). Manchester's address is 712 Fifth Avenue, New York, NY 10019.
(12) Includes 318,087 shares of common stock and 734,738 shares underlying preferred stock. The shares are held by Brookline Coronado Investment Fund LLC, CSA Biotechnology Fund I, LLC and CSA Biotechnology Fund II (collectively, "Brookline"). The address of these entities is c/o Brookline Investments, Inc., 2501 Twentieth Place South, Suite 275, Birmingham, AL 35223. Mr. Rainer Twiford has voting and dispositive power over these shares.
(13) Includes the shares referred to in footnotes (3), (4), (5), (6), (8), (9) and (10) above.

Item 5. Directors and Executive Officers.

The following table sets forth certain information about our executive officers, key employees and directors as of the date of this Registration Statement.

Name	Age	Position
Glenn L. Cooper, M.D.	58	Executive Chairman, Director
Bobby W. Sandage, Jr., Ph.D.	57	President and Chief Executive Officer, Director
Dale Ritter	60	Senior Vice President, Finance, Chief Accounting Officer and Acting Chief Financial Officer
Eric K. Rowinsky, M.D.	54	Director, Vice Chairman
David J. Barrett	34	Director
Jimmie Harvey, Jr., M.D.	59	Director
J. Jay Lobell	48	Director
Michael W. Rogers	51	Director
Lindsay A. Rosenwald, M.D.	54	Director

None of the events listed in Item 401(f) of Regulation S-K has occurred during the past ten years and that is material to the evaluation of the ability or integrity of any of our directors, director nominees or executive officers.

The following is a brief account of the business experience during the past five years (and, in some instances, for prior years) of each director and executive officer of our company.

Executive Officers

Glenn L. Cooper, M.D. has served as a member of our board of directors since October 2009, as our executive chairman since July 2010 and served as our acting chief executive officer from December 2010 to April 2011. Dr. Cooper has extensive leadership experience in the pharmaceutical and biotechnology industries with expertise in transforming development stage companies into commercial organizations. From 1993 to 2009, Dr. Cooper was the chairman and chief executive officer of Indevus Pharmaceuticals, Inc., a specialty pharmaceuticals company. Indevus was acquired by Endo Pharmaceuticals, Inc. in March 2009. Prior to joining Indevus in 1993, Dr. Cooper held numerous executive level positions, including president and chief executive officer of Progenitor, Inc., executive vice president and chief operating officer of Sphinx Pharmaceuticals Corporation, and various clinical and regulatory positions with Eli Lilly and Company. Dr. Cooper also serves on the board of directors of Gentium S.p.A. and Repligen Corporation. Dr. Cooper holds a B.A. from Harvard College and received his M.D. from Tufts University School of Medicine. Based on Dr. Cooper's position as the executive chairman, his other senior management experience and service on boards of directors in the biotechnology and pharmaceutical industries, our board of directors believes that Dr. Cooper has the appropriate set of skills to serve as a member of the board.

Bobby W. Sandage, Jr., Ph.D. has served as our president and chief executive officer since April 2011. Dr. Sandage has over 30 years of experience in the pharmaceutical industry, most recently as the vice president and head of oncology research and development for Covidien Pharmaceuticals, a specialty pharmaceuticals company, a position he held from March 2010 until March 2011. From November 1991 to December 2009, Dr. Sandage held various positions at Indevus Pharmaceuticals, a specialty pharmaceuticals company, including executive vice president of research and development and chief scientific officer, prior to the sale of the company to Endo Pharmaceuticals. Prior to joining Indevus Pharmaceuticals, from 1981 to 1991, Dr. Sandage held senior drug development positions at DuPont Merck Pharmaceutical Company, DuPont Critical Care (formerly American Critical Care) and Merrell Dow Pharmaceuticals. Dr. Sandage is currently a member of the board of directors of Gentium S.p.A., a pharmaceutical company. Dr. Sandage has also served as a member of the board of directors of Osteologix, Inc. and Genta Incorporated. Dr. Sandage has a B.S. in pharmacy from

the University of Arkansas and a Ph.D. in clinical pharmacy from Purdue University. Based on Dr. Sandage's position as the president and chief executive officer, his substantial experience in the pharmaceutical industry and service on boards of directors in the biotechnology and pharmaceutical industries, our board of directors believes that Dr. Sandage has the appropriate set of skills to serve as a member of the board.

Dale Ritter has served as our senior vice president, finance, chief accounting officer and acting chief financial officer since May 2011. Mr. Ritter has over 20 years of experience in the pharmaceutical industry. From September 2009 until joining us, he was an independent consultant, most recently serving as a financial consultant to Helicos BioSciences Corporation, an innovative genetic analysis technologies company, from January to May 2011. From 1994 to 2009, Mr. Ritter was the senior vice president of finance and chief accounting officer at Indevus Pharmaceuticals until the sale of the company to Endo Pharmaceuticals. Mr. Ritter has a B.A. from Syracuse University and an MBA from Babson College Graduate School of Business Administration.

Non-Employee Directors

Eric K. Rowinsky, M.D. has served as a member of our board of directors, as our vice chairman and a consultant since October 2010 and is responsible for overseeing our clinical development plan for acute myeloid leukemia and solid tumor malignancies. Dr. Rowinsky is an internationally renowned expert in oncology with a distinguished background in academics and industry. Following an oncology fellowship at Johns Hopkins, he became an assistant professor of oncology at Johns Hopkins and then an associate professor at Johns Hopkins. Dr. Rowinsky then became a professor of medicine and director for drug development, cancer therapy and research at University of Texas, San Antonio. In 2004, Dr. Rowinsky became chief medical officer and senior vice president (later promoted to executive vice president) of ImClone Systems, Inc., a cancer therapeutics company, and spear-headed the further clinical development of Erbitux (cetuximab injection) and eight additional monoclonal antibodies, prior to ImClone's acquisition by Eli Lilly & Company in 2008. He remained at ImClone as a consultant until December 2010. Dr. Rowinsky is and has been a consultant to multiple biotech companies in cancer drug development and serves on the boards of directors of Biogen-Idec Inc., Neoprobe Inc, PreScience Labs Inc., and DLVR, Inc., each of which are life sciences companies. During the past five years, Dr. Rowinsky has also served on the boards of directors of Tapestry Pharmaceuticals, Inc. and Adventrx Pharmaceuticals, Inc., which are life sciences companies. Dr. Rowinsky has been an advisor to academic, industrial and FDA advisory boards and has more than 300 peer-reviewed publications. Dr. Rowinsky received his B.A. from New York University and his M.D. from Vanderbilt University School of Medicine. Based on Dr. Rowinsky's service on boards of directors in the biotechnology and pharmaceutical industries and his extensive experience and background in oncology, our board of directors believes that Dr. Rowinsky has the appropriate set of skills to serve as a member of the board.

David J. Barrett has served as a member of our board of directors since May 2011. Since July 2010, Mr. Barrett has served as the chief financial officer of Ventrus Biosciences, Inc., a pharmaceutical company focused on the late-stage clinical development of gastrointestinal products. From October 2009 through June 2010, Mr. Barrett founded and sold a startup venture in the on-line advertising space. From April 2006 to September 2009, Mr. Barrett served as chief financial officer of Neuro-Hitech, Inc., a publicly traded company focused on developing, marketing and distributing branded and generic pharmaceutical products. From September 2003 to April 2006, Mr. Barrett was the chief financial officer/vice president of finance of Overture Asset Managers and Overture Financial Services, which, at the time, was a start-up asset management firm that assembled investment products and platforms to distribute turnkey and unbundled investment solutions to financial intermediaries and institutional investors. From July 1999 to September 2003, Mr. Barrett was employed as a manager at Deloitte & Touche, LLP. Mr. Barrett received his B.S. in accounting and economics in May of 1998 and his M.S. in accounting in May of 1999 from the University of Florida. He is a certified public accountant. Based on Mr. Barrett's management experience, particularly in areas of finance and investment management, our board of directors believes that Mr. Barrett has the appropriate set of skills to serve as a member of the board.

Jimmie Harvey, Jr., M.D. has served as a member of our board of directors since December 2008. Dr. Harvey in 1984 founded Birmingham Hematology and Oncology Associates L.L.C., a private medical company located in Birmingham, Alabama. Dr. Harvey has experience in clinical trial execution and management and has recently been a principal investigator in two trials, one investigating a novel monoclonal antibody and the other a small molecule used to treat immunologic malignancies. Dr. Harvey holds a B.A. degree in Chemistry from Emory University and received his M.D. from Emory University School of Medicine. Dr. Harvey completed his medical oncology training at the Vincent T. Lombardi Cancer Center at Georgetown University. Based on Dr. Harvey's medical background, including his oncology expertise, our board of directors believes that Dr. Harvey has the appropriate set of skills to serve as a member of the board.

J. Jay Lobell has served as a member of our board of directors since June 2006. Mr. Lobell is president of Meridian Capital Group, LLC, a commercial real estate mortgage company, which he joined as a senior officer in January 2010. Mr. Lobell also is a founder of, and since December 2009 has served as vice chairman of, Beech Street Capital, LLC, a real estate lending company. Since January 2005, Mr. Lobell has served as president and chief operating officer of PBS, a biotechnology investment and development company, which is largely dormant at this time. In that capacity, he had substantial responsibility for the assembly and oversight of companies founded and incubated by PBS, including Coronado. Mr. Lobell previously has served on the board of directors of NovaDel Pharma Inc., Innovive Pharmaceuticals, Inc. and ChemRx Corporation. Mr. Lobell was a partner in the law firm Covington & Burling LLP from October 1996 through January 2005, where he advised companies and individuals as a member of the firm's securities litigation and white collar defense practice group. Mr. Lobell received his B.A. (summa cum laude, Phi Beta Kappa) from the City University of New York and his J.D. from Yale Law School, where he was senior editor of the Yale Law Journal. Based on Mr. Lobell's biotechnology, legal and financial experience, as well as his in-depth understanding of drug commercialization and corporate governance, our board of directors believes that Mr. Lobell has the appropriate set of skills to serve as a member of the board.

Michael W. Rogers has served as a member of our board of directors since May 2011. Since June 2009, Mr. Rogers has served as the executive vice president, chief financial officer and treasurer of BG Medicine, Inc., a life sciences company focused on the discovery, development, and commercialization of novel diagnostic tests. Prior to joining BG Medicine, Inc. and since 1999, Mr. Rogers held the position of executive vice president, chief financial officer and treasurer at Indevus Pharmaceuticals, Inc., a specialty pharmaceuticals company, which was acquired by Endo Pharmaceuticals in 2009. In 1998, Mr. Rogers was executive vice president and chief financial and corporate development officer at Advanced Health Corporation, a publicly-traded healthcare information technology company. From 1995 to 1997, he was vice president, chief financial officer and treasurer of AutoImmune, Inc., a publicly-traded biopharmaceutical company. From 1994 to 1995, Mr. Rogers was vice president, investment banking at Lehman Brothers, Inc. From 1990 to 1994, he was associated with PaineWebber, Inc., serving most recently as vice president, investment banking division. Mr. Rogers serves as a director of pSivida, Inc., a publicly-traded medical device company. Mr. Rogers received an M.B.A. from the Darden School at the University of Virginia and a B.A. from Union College. Based on Mr. Rogers's management experience, particularly in areas of finance and corporate development, our board of directors believes that Mr. Rogers has the appropriate set of skills to serve as a member of the board.

Lindsay A. Rosenwald, M.D. has served as a member of our board of directors since October 2009. Since November 2008, Dr. Rosenwald has served as Co-Portfolio Manager & Partner of Opus Point Partners, LLC ("Opus"), an asset management and broker dealer in the life sciences industry. Prior to that, from August 1991 to October 2008, he served as the Chairman of Paramount BioCapital, Inc. ("PBC"). Over the last 23 years, Dr. Rosenwald has acted as a biotechnology entrepreneur and been instrumental in the founding and recapitalization of numerous public and private biotechnology and life sciences companies. Dr. Rosenwald received his B.S. in finance from Pennsylvania State University and his M.D. from Temple University School of Medicine. Based on Dr. Rosenwald's biotechnology and pharmaceutical industry experience and in-depth understanding of our business, our board of directors believes that Dr. Rosenwald has the appropriate set of skills to serve as a member of the board.

Item 6. Executive Compensation.

Compensation Discussion and Analysis

Introduction

This Compensation Discussion and Analysis explains our compensation philosophy, policies and practices with respect to our named executive officers. To date, executive compensation decisions have been made by the entire board of directors. Following the effectiveness of this Form 10, we expect to establish a compensation committee of the board that will be responsible for creating and reviewing the compensation of our executive officers to the compensation committee of its board of directors, as well as overseeing our compensation and benefit plans and policies and administering our equity incentive plans.

Compensation Philosophy

We believe in providing a competitive total compensation package to our executive management team through a combination of base salary, discretionary bonuses, grants under an equity incentive compensation plan, severance and change of control benefits and broad-based benefits programs. Our executive compensation programs are designed to achieve the following objectives:

- attract, motivate and retain executives of outstanding ability and potential;
- reward achievement; and
- ensure that executive compensation is meaningfully related to the creation of stockholder value.

Our board of directors believes that our executive compensation programs should include short- and long-term components, including cash and equity-based compensation, and should reward consistent performance that meets or exceeds expectations. The board evaluates both performance and compensation to make sure that the compensation provided to executives remains competitive relative to compensation paid by companies of similar size and stage of development operating in the life sciences industry, taking into account our relative performance and our own strategic objectives.

Setting Executive Compensation

We have historically conducted a review of the aggregate level of our executive compensation, as well as the mix of elements used to compensate our executive officers. As a private company, we have based this review primarily on the experience of the members of our board of directors, many of whom sit on the boards of directors of numerous companies in the life sciences and healthcare fields. It is expected that in the future, our compensation committee will take into account publicly available data relating to the compensation practices and policies of other companies within and outside our industry. Although we expect the compensation committee to use such survey data as a tool in determining executive compensation, we expect that members of the compensation committee will continue to apply their subjective discretion to make compensation decisions. Our board has not yet determined to benchmark executive compensation against any particular group of companies or use a formula to set executive compensation in relation to such survey data.

Elements of Executive Compensation

The compensation program for our executive officers consists principally of three components:

- base salary;
- annual discretionary bonuses; and
- long-term compensation in the form of stock options.

Base Salary

Base salaries for our executives are initially established through arm's-length negotiation at the time the executive is hired, taking into account such executive's qualifications, experience, prior salary, the scope of his

or her responsibilities, and competitive market compensation paid by other companies for similar positions within the industry. Base salaries are reviewed annually, typically in connection with our annual performance review process, and adjusted from time to time to realign salaries with market levels after taking into account individual responsibilities, performance and experience. In making decisions regarding salary increases, we may also draw upon the experience of members of our board of directors with other companies. The board of directors has not previously applied specific formulas to determine increases, although it has generally awarded increases as a percentage of an executive officer's then-current base salary. This strategy is consistent with our intent of offering base salaries that are cost-effective while remaining competitive.

We hired Glenn L. Cooper, M.D., to serve as our executive chairman in July 2010. Initially, Dr. Cooper was compensated as a consultant for a monthly fee of $25,000. This amount was determined as part of the negotiation of Dr. Cooper's compensation, conducted on our behalf by Dr. Rosenwald and our former chief executive officer and approved by the board of directors. In April 2011, Dr. Cooper's consulting arrangement was transitioned into an employment arrangement and his annual base salary of $300,000 was approved by the board of directors at that time.

We hired our former executive vice president, chief operating officer, chief financial officer, Gary G. Gemignani, in May 2010. Mr. Gemignani's base salary for 2010 was set at $350,000, which was determined as part of the negotiation of Mr. Gemignani's employment agreement, conducted on our behalf by Dr. Tesi and approved by the board of directors. In February 2011, our board of directors approved a 2% increase to the base salary of Mr. Gemignani, based on increased responsibilities in the absence of a full time chief executive officer and audit oversight responsibilities. In May 2011, Mr. Gemignani's title was changed to vice president of special projects, pending the termination of his employment at the end of June 2011.

In June 2010, our board of directors approved an increase to the base salary of our then-chief executive officer, Raymond J. Tesi, M.D., as part of the negotiation of an amended and restated employment agreement with Dr. Tesi. The annual base salary for Dr. Tesi was increased from $350,000 to $420,000 based on a reallocation of the percentage of his total compensation from discretionary bonus to annual salary. Dr. Tesi's employment was terminated in September 2010.

We hired Bobby W. Sandage, Jr., Ph.D. to serve as our chief executive officer in April 2011. Dr. Sandage's annual base salary for 2011 was set at $375,000. This salary was determined as part of the negotiation of Dr. Sandage's employment agreement, which was conducted by Dr. Cooper on our behalf and approved by the board of directors. In approving the salary, the board considered Dr. Sandage's requested salary and the salaries of other members of the management team. Dr. Sandage's salary was most similar to that of Dr. Tesi, reflective of the fact that Dr. Sandage succeeded Dr. Tesi as our president and chief executive officer.

We hired Dale Ritter to serve as our senior vice president, finance, chief accounting officer and acting chief financial officer in May 2011. Mr. Ritter's base salary for 2011 was set at $250,000. This salary was determined as part of the negotiation of Mr. Ritter's employment agreement, which was conducted by Drs. Cooper and Sandage on our behalf and approved by the board of directors. In approving the salary, the board considered Mr. Ritter's requested salary and the salaries of other members of the management team. Mr. Ritter's salary was most similar to that of Mr. Gemignani, reflective of the fact that Mr. Ritter succeeded to much of Mr. Gemignani's responsibilities, while taking in account the fact this his role as acting chief financial officer is temporary until such time as we retain a full time chief financial officer.

Discretionary Bonuses

In addition to the payment of base salaries, we believe that discretionary bonuses can play an important role in providing appropriate incentives to our executives to achieve its strategic objectives. As part of the annual performance reviews, the board of directors has in the past, and the compensation committee will, in the future, review and analyze each executive officer's overall performance against such executive's base salary. Currently,

we have not set any specific goals. Dr. Sandage and Mr. Ritter are eligible for a maximum discretionary bonus of 50% and 40%, respectively, pursuant to the terms of their employment agreements. In addition, Dr. Sandage is eligible for additional discretionary bonuses of $62,500, $125,000, $250,000, and $500,000 based on milestones tied to reaching a market capitalization of $125 million, $250 million, $500 million and $1 billion, respectively. Our executive chairman, Dr. Cooper, is not generally eligible for a discretionary bonus.

Following the end of 2010, our board of directors reviewed the annual performance of Mr. Gemignani, the only executive officer eligible for a discretionary bonus, as well as our overall performance and approved the payment of a discretionary bonus to Mr. Gemignani in the amount of $175,000. Such discretionary bonus was paid in cash and was provided in order to continue to motivate the executive to achieve our financial and business objectives and was paid in part based on achievements made by the executive and by us during 2010.

Long-term Incentive Program

We believe that by providing our executives the opportunity to increase their ownership of our stock, the best interests of stockholders and executives will be more aligned and we will encourage long-term performance. The stock awards enable our executive officers to participate in the appreciation of the value of our stock, while personally participating in the risks of business setbacks. We have not adopted stock ownership guidelines and our stock incentive plan has provided our executive officers the only means to acquire equity or equity-linked interests in our company. We do not have any program, plan or obligation that requires us to grant equity compensation on specified dates. Authority to make equity grants to executive officers rests with our board of directors, which considers the recommendations of the executive chairman and the chief executive officer for officers other than themselves, and will in the future take into account recommendation of the compensation committee.

We have granted equity awards primarily through our 2007 Stock Incentive Plan (the “2007 plan”), which was adopted by our board of directors and stockholders to permit the grant of stock options, stock bonuses and restricted stock to our officers, directors, employees and consultants. The material terms of our 2007 plan are further described under “2007 Stock Incentive Plan” below.

In 2010, certain named executive officers were awarded stock options under the 2007 plan in the amounts indicated in the section below entitled “Grants of Plan-Based Awards.” The awards were reviewed for consistency internally among the management team and were determined by members of the board of directors to be consistent with other companies in which the members have experience.

In October 2010, as part of the long-term equity incentive program described above, our board of directors awarded Dr. Cooper, Dr. Tesi and Mr. Gemignani stock options under the 2007 plan in the aggregate amounts of 290,235, 144,120 and 200,000 shares, respectively.

Dr. Sandage was awarded an option in April 2011 to purchase 300,000 shares of our common stock under the 2007 plan in connection with the commencement of his employment. The number of shares was determined as part of the negotiation of his overall employment package and was approved by our board of directors. In approving the number of shares, the board considered the number of shares requested by Dr. Sandage and the equity ownership of other members of our management team.

Mr. Ritter was awarded an option to purchase 120,000 shares of our common stock under the 2007 plan in connection with the commencement of his employment in May 2011. The number of shares was determined as part of the negotiation of his overall employment package and was approved by our board of directors. In approving the number of shares, the board considered the number of shares requested by Mr. Ritter and the equity ownership of other members of our management team.

In February 2011, Mr. Gemignani was awarded an additional option to purchase 25,000 shares of our common stock under the 2007 Plan. The number of shares was approved by the board. In approving the number of shares, the board considered Mr. Gemignani's increased level of responsibilities described above.

In the absence of a public trading market for our common stock, the board of directors has determined the fair market value of our common stock in good faith based upon consideration of a number of relevant factors including the status of development efforts, financial status and market conditions and based upon valuations obtained from an independent valuation firm.

All option grants typically vest over three years, with one third of the shares subject to the stock option vesting on each annual anniversary of the vesting commencement date. All options have a 10-year term. Additional information regarding accelerated vesting upon or following a change in control is discussed below under "Potential Payments Upon Termination or Change in Control."

Executive Employment Agreements

We entered into employment agreements with Dr. Cooper and Dr. Sandage in April 2011 and with Mr. Ritter in May 2011. The employment agreements provide for at-will employment, base salary, incentive bonuses, standard employee benefit plan participation and recommendations for initial stock option grants. The employment agreements were each subject to execution of standard proprietary information and invention agreements and proof of identity and work eligibility in the United States. Prior to his employment agreement, Dr. Cooper was party to a consulting agreement with us, which was entered into in August 2010.

Dr. Sandage and Mr. Ritter are each entitled to severance and change in control benefits pursuant to their employment, the terms of which are described below under "Potential Payments Upon Termination or Change in Control." We believe that these severance and change in control benefits help us from a retention standpoint and they are particularly necessary in an industry, such as ours, where there has been market consolidation. We believe that they help these executive officers maintain continued focus and dedication to their assigned duties to maximize stockholder value if there is a change of control. We believe that these severance and change in control benefits are an essential element of our overall executive compensation package. Dr. Cooper is not entitled to severance or change in control benefits.

Perquisites

From time to time our board of directors has provided certain of our named executive officers with perquisites that the board believes are reasonable. We do not view perquisites as a significant element of comprehensive compensation structure, but do believe they can be useful in attracting, motivating and retaining the executive talent for which we compete. We believe that these additional benefits may assist our executive officers in performing their duties and provide time efficiencies for executive officers in appropriate circumstances, and we may consider providing additional perquisites in the future. All future practices regarding perquisites will be approved and subject to periodic review by the compensation committee.

Other Compensation

Consistent with our compensation philosophy, we intend to continue to maintain the current benefits for executive officers, which are also available to our other employees; however, the compensation committee, in its discretion, may in the future revise, amend or add to the benefits of any executive officer if it deems it advisable.

Deductibility of Compensation under Section 162(m)

Section 162(m) of the Internal Revenue Code of 1986 limits our deduction for federal income tax purposes to not more than $1 million of compensation paid to certain executive officers in a calendar year. Compensation above

$1 million may be deducted if it is "performance-based compensation." We have not yet established a policy for determining which forms of incentive compensation awarded to our executive officers will be designed to qualify as "performance-based compensation." To maintain flexibility in compensating executive officers in a manner designed to promote our objectives, the board of directors has not adopted a policy that requires all compensation to be deductible. However, it is expected that the compensation committee will evaluate the effects of the compensation limits of Section 162(m) on any compensation it proposes to grant in the future and that future compensation will be provided in a manner consistent with our best interests and those of our stockholders.

Risk Analysis of our Compensation Plans

Our board of directors has reviewed our compensation policies as generally applicable to our employees and believes that the policies do not encourage excessive and unnecessary risk-taking, and that the level of risk that they do encourage is not reasonably likely to have a material adverse effect on us. The design of our compensation policies and programs encourage the employees to remain focused on both short-and long- term goals. For example, while our cash bonus plans measure performance on an annual basis, the equity awards typically vest over a number of years, which we believe encourages employees to focus on sustained stock price appreciation, thus limiting the potential value of excessive risk-taking.

Summary Compensation Table

The following table provides information regarding the compensation paid during the year ended December 31, 2010 to our principal executive officer, principal financial officer and certain of our other executive officers, who are collectively referred to as "named executive officers" elsewhere in this Form 10. Because Dr. Sandage and Mr. Ritter were not executive officers during 2010, they are not included in the following table.

Name and Principal Position	Year	Salary	Bonus	Option Awards (1)	All Other Compensation	Total
Glenn L. Cooper, M.D. (2) Executive Chairman	2010	—	—	$453,695	$ 137,500	$591,195
Raymond J. Tesi, M.D. (3) Former President and Chief Executive Officer	2010	$259,583	$300,000	$255,222	$ 45,565	$860,370
Gary Gemignani (4) Former Executive Vice President, Chief Operating Officer, Chief Financial Officer	2010	$211,458	$175,000	$312,640	—	$699,098

(1) Represents the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. One-third of the shares subject to each of the options granted to our named executive officers vest on each anniversary of the grant date, October 5, 2010, such that all of the shares subject to the options will be vested three years after such date.

(2) Dr. Cooper became our executive chairman in July 2010. Dr. Cooper's 2010 "Option Awards" and "All Other Compensation" amounts are compensation that Dr. Cooper earned pursuant to a consulting agreement with us.

(3) Dr. Tesi served as our president and chief executive officer from June 2007 to September 2010. He served as our principal financial and accounting officer from June 2007 to May 2010, during which time we operated without a chief financial officer. Dr. Tesi's 2010 "All Other Compensation" amount is reimbursement of moving expenses.

(4) Mr. Gemignani served as our executive vice president, chief operating officer and chief financial officer from May 2010 to May 2011. Mr. Gemignani ceased serving as our principal financial and accounting officer in May 2011 when Mr. Ritter joined us.

Potential Payments Upon Termination or Change in Control

Regardless of the manner in which a named executive officer's employment terminates, the named executive officer is entitled to receive amounts earned during his term of employment, including salary and unused vacation pay. In addition, each of our named executive officers, other than Dr. Cooper, that are currently employed by us is entitled to severance and change in control benefits described below.

We entered into an employment agreement with Dr. Tesi, our former president and chief executive officer, in June 2010, which superseded a prior employment agreement between Dr. Tesi and us. In January 2011, in connection with the termination of Dr. Tesi's employment in September 2010, we entered into a separation agreement with Dr. Tesi entitling him to severance benefits. The terms of Dr. Tesi's separation agreement supersede the terms of his employment agreement. The separation agreement provides that, in exchange for Dr. Tesi's full release of claims against us, he was entitled to: (i) salary continuation for six months following the effectiveness of the release of claims and (ii) acceleration of vesting for one-third of the options held by him at the time of separation.

We entered into an employment agreement with Mr. Gemignani, our former executive vice president, chief operating officer, chief financial officer, in June 2010. In connection with the termination of Mr. Gemignani's employment in June 2011, we entered into a separation agreement with Mr. Gemignani entitling him to severance benefits. The terms of Mr. Gemignani's separation agreement supersede the terms of his employment agreement. The separation agreement provides that, in exchange for Mr. Gemignani's full release of claims against us, he was entitled to: (i) salary continuation for six months following termination and the effectiveness of the release of claims, (ii) a one-time payment of $89,250, which represented a prorated bonus amount for 2011, (iii) acceleration of vesting for one-third of the options held by him at the time of separation, and (iv) extension of the post-termination exercise period of the accelerated options from three months to six months.

In April 2011, we entered into an employment agreement with Dr. Sandage, our president and chief executive officer, which provides if we terminate Dr. Sandage without cause or he resigns for good reason, he will be entitled to: (i) severance payments at a rate equal to his base salary then in effect for a period of one year following his termination date and (ii) accelerated vesting of one-third of his stock option shares. In addition, if Dr. Sandage is terminated without cause within six months following a change in control, 100% of the shares subject to options and other equity awards granted to him will fully vest as of the date of his execution of a release in connection with such termination. Cause is defined as (a) his willful failure, disregard or refusal to perform his material duties or obligations under the employment agreement which, to the extent it is curable by Dr. Sandage, is not cured within thirty (30) days after we give written notice to him; (b) any willful, intentional or grossly negligent act having the effect of materially injuring (whether financially or otherwise) the business or reputation of us or any of our affiliates; (c) willful misconduct by him with respect to any of the material duties or obligations under the employment agreement, including, without limitation, willful insubordination with respect to lawful directions received from the board of directors which, to the extent it is curable by Dr. Sandage, is not cured within thirty (30) days after we give written notice to him; (d) indictment of any felony involving moral turpitude (including entry of a *nolo contendere* plea); (e) the determination, after a reasonable and good-faith investigation by us, that he engaged in some form of harassment or discrimination prohibited by law (including, without limitation, age, sex or race harassment or discrimination), unless the actions were specifically directed by the board of directors; (f) material misappropriation or embezzlement of the property of us or our affiliates (whether or not a misdemeanor or felony); or (g) a material breach of any of the provisions of the employment agreement, of any company policy, and/or of his proprietary information and inventions agreement. Good reason is defined as (x) a material reduction of Dr. Sandage's base salary unless such reduction occurs in connection with a company-wide decrease in executive compensation, (y) a material breach of the employment agreement by us; or (z) a material adverse change in his duties, authority, or responsibilities relative to his duties, authority, or responsibilities in effect immediately prior to such reduction.

In April 2011, we entered into an employment offer letter with Mr. Ritter, our senior vice president, finance, chief accounting officer and acting chief financial officer, which provides if we terminate Mr. Ritter without

cause or he resigns for good reason, he will be entitled to: (i) severance payments at a rate equal to his base salary then in effect for a period of six months following his termination date and (ii) accelerated vesting of one-third of his stock option shares. In addition, if Mr. Ritter is terminated without cause within six months following a change in control, he will be entitled to an additional six months of severance payments (for a total of 12 months) and 100% of the shares subject to options and other equity awards granted to him will fully vest as of the date of his execution of a release in connection with such termination. Cause and good reason are defined as they are for Dr. Sandage and described in the preceding paragraph.

We have routinely granted and will continue to grant our named executive officers stock options under the 2007 plan. For a description of the change in control provisions in such equity incentive plan applicable to these stock options, see "—Equity Incentive Plans—2007 Stock Incentive Plan" below.

The following table sets forth potential payments payable to our named executive officers upon a termination of employment without cause or resignation for good reason or termination of employment without cause or resignation for good reason following a change in control. The table below reflects amounts payable to our executive officers assuming their employment was terminated on December 31, 2010 and, if applicable, a change in control also occurred on such date. Because Dr. Sandage and Mr. Ritter were not executive officers during 2010 they are not included in the following table.

	Upon Termination without Cause or Resignation for Good Reason—No Change in Control			Upon Termination without Cause or Resignation for Good Reason—Change in Control		
Name	Cash Severance	Value of Accelerated Vesting (1)	Total	Cash Severance	Value of Accelerated Vesting (1)	Total
Glenn Cooper, M.D.	$ —	$ —	$ —	$ —	$ —	$ —
Raymond J. Tesi, M.D. (2)	$210,000	$ 28,824	$238,824	$420,000	$ 86,472	$506,472
Gary G. Gemignani (3)	$175,000	$ 40,000	$215,000	$350,000	$120,000	$470,000

(1) The value of accelerated vesting is equal to $1.96 per share (the assumed fair market value of a share of our common stock on December 31, 2010 for the purposes hereof), multiplied by the number of shares subject to accelerated vesting, less the stock option exercise price.

(2) Dr. Tesi's employment agreement provided that: (a) if he was terminated without Cause or resigned for Good Reason, not in connection with a change of control, he would have received 6 months of salary continuation and accelerated vesting of 1/3 of the number of options outstanding and (b) if he was terminated without Cause or resigned for Good Reason within in the 12 months following a Change of Control he would have received 12 months of salary continuation and accelerated vesting of 100% of the number of options outstanding. Dr. Tesi's employment with us terminated effective as of September 2010, and, as of the date of this filing, Dr. Tesi is not eligible for payments upon a change in control.

(3) Mr. Gemignani's employment agreement provided that: (a) if he was terminated without Cause or resigned for Good Reason, not in connection with a change of control, he would have received 6 months of salary continuation and accelerated vesting of 1/3 of the number of options outstanding and (b) if he was terminated without Cause or resigned for Good Reason within in the 12 months following a Change of Control he would have received 12 months of salary continuation and accelerated vesting of 100% of the number of options outstanding. Mr. Gemignani's employment with us terminated effective as of June 2011, and, as of the date of this filing, Mr. Gemignani is not eligible for payments upon a change in control.

Grants of Plan-Based Awards

All stock options granted to our named executive officers are incentive stock options, to the extent permissible under the Code. The exercise price per share of each stock option granted to our named executive officers was equal to the fair market value of our common stock as determined in good faith by our board of directors taking into consideration independently-prepared valuation reports on the date of the grant. All stock options were granted under the 2007 plan.

The following table sets forth certain information regarding grants of plan-based awards to our named executive officers for 2010. Because Dr. Sandage and Mr. Ritter were not executive officers during 2010 they are not included in the following table.

Name	Grant Date	All other option awards: number of securities underlying options (#)	Exercise or base price of option awards ($/share) (1)	Grant date fair value of option awards ($)(2)
Glenn L. Cooper, M.D.	10/05/2010	290,235	$1.37	$453,695
Raymond J. Tesi, M.D. (3)	10/05/2010	144,120	$1.37	$255,222
Gary Gemignani (4)	10/05/2010	200,000	$1.37	$312,640

(1) Represents the per share fair market value of our common stock, as determined in good faith by our board of directors on the grant date.
(2) Amounts listed represent the aggregate fair value amount computed as of the grant date of each option and award during 2010 in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in Note 14, *Stock-Based Compensation,* of the Notes to the Financial Statements. As required by SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Our named executive officers will only realize compensation to the extent the trading price of our common stock is great than the exercise price of such stock options.
(3) Dr. Tesi served as our president and chief executive officer from June 2007 to September 2010. Pursuant to Dr. Tesi's separation agreement dated January 1, 2011, the vesting of 48,040 of such options were accelerated and all were exercised in March of 2011.
(4) Mr. Gemignani served as our executive vice president, chief operating officer and chief financial officer from May 2010 to May 2011. Pursuant to Mr. Gemignani's separation agreement dated June 3, 2011, the vesting of 75,000 of such options were accelerated, all of which are still outstanding as of June 30, 2011.

Outstanding Equity Awards At Fiscal Year-End

The following table sets forth certain information regarding all outstanding equity awards held by our named executive officers as of December 31, 2010. As of December 31, 2010, none of the options held by our named executive officers were exercisable. Because Dr. Sandage and Mr. Ritter were not executive officers during 2010 they are not included in the following table.

Name	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date
Glenn L. Cooper, M.D.	290,235	$1.37	10/04/2020 (1)
Raymond J. Tesi, M.D. (2)	144,120	$1.37	10/04/2020 (1)
Gary Gemignani (3)	200,000	$1.37	10/04/2020 (1)

(1) 1/3rd of the total of number of shares subject to each option vest on each annual anniversary of the applicable grant.
(2) Dr. Tesi served as our president and chief executive officer from June 2007 to September 2010.
(3) Mr. Gemignani served as our executive vice president, chief operating officer and chief financial officer from May 2010 to May 2011.

Option Exercises and Stock Vested

Our named executive officers did not exercise any stock option awards during the year ended December 31, 2010.

Pension Benefits

None of our named executive officers participate in or have account balances in qualified or non-qualified defined benefit plans sponsored by us.

Non-Qualified Deferred Compensation

None of our named executive officers participate in or have account balances in qualified or non-qualified defined contribution plans or other nonqualified compensation plans sponsored by us.

Equity Incentive Plans

2007 Stock Incentive Plan

Our board of directors adopted and our stockholders approved our 2007 plan in June 2007 and January 2008, respectively. As of June 30, 2011, 58,040 shares of common stock have been issued under the 2007 plan pursuant to the exercise of options, 2,517,170 shares of common stock were issued as restricted stock awards under the 2007 plan and options to purchase an aggregate of 1,509,070 shares of common stock remain outstanding.

The purpose of the 2007 plan is to provide us with the flexibility to use shares, cash, options or other awards based on our common stock as part of an overall compensation package to provide performance-based compensation to attract and retain qualified personnel. We believe that awards under the 2007 plan may serve to broaden the equity participation of key employees and further link the long-term interests of management and stockholders. Awards under the 2007 plan include shares, cash, options, stock appreciation rights, or a similar right with a fixed or variable price related to the fair market value of the shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions. Such awards include, without limitation, options, stock appreciation rights, sales or bonuses of restricted stock, restricted stock units or dividend equivalent rights, and an award may consist of one such security or benefit, or two or more of them in any combination or alternative.

There are 6,000,000 shares of common stock reserved for issuance under the 2007 plan, of which 1,915,720 shares are available for issuance as of June 30, 2011.

Administration

The 2007 plan is administered by our board of directors or a committee designated by the board of directors. With respect to grants of awards to our officers or directors, the 2007 plan will be administered by our board of directors or a designated committee in a manner that permits such grants to be exempt from Section 16(b) of the Exchange Act. Grants of awards to covered employees as defined under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”), will be made only by a committee comprised solely of two or more directors eligible to serve on a committee making awards. The board of directors has the full authority to select recipients of the grants, determine the extent of the grants, establish additional terms, conditions, rules or procedures to accommodate rules or laws of applicable non-U.S. jurisdictions, adjust awards and to take any other action deemed appropriate; however, no action should be taken that is inconsistent with the terms of the 2007 plan.

Available Shares

Subject to adjustment upon certain corporate transactions or events, a maximum of 6,000,000 shares of our common stock may be issued under the 2007 plan. In addition, subject to adjustment upon certain corporate

transactions or events, a participant in the 2007 plan may not receive awards with respect to more than 1,000,000 shares of common stock in any year (and an additional 500,000 shares in connection with a grantee's commencement of continuous service). Any shares covered by an award which is forfeited, canceled or expires shall be deemed to have not been issued for purposes of determining the maximum aggregate number of shares which may be issued under the 2007 plan, except that the maximum aggregate number of shares which may be issued pursuant to the exercise of incentive stock options shall not exceed 6,000,000. Shares that actually have been issued under the 2007 plan pursuant to an award shall not be returned to the 2007 plan and shall not become available for future issuance under the 2007 plan. To the extent not prohibited by the listing requirements of any established stock exchange or national market system on which our common stock may be traded and any applicable law, any shares covered by an award which are surrendered (i) in payment of the award exercise or purchase price or (ii) in satisfaction of tax withholding obligations incident to the exercise of an award shall be deemed not to have been issued for purposes of determining the maximum number of shares which may be issued pursuant to all awards under the 2007 plan, unless otherwise determined by the plan administrator.

Eligibility and Types of Awards

The 2007 plan permits us to grant stock awards, including stock options to our employees, directors and consultants and the employees, directors and consultants of PBS and its affiliates. A stock option may be an incentive stock option, within the meaning of section 422 of the Code, or a nonstatutory stock option. However, only employees may be granted incentive stock options.

Stock Options

Incentive and nonstatutory stock options are granted pursuant to option agreements adopted by the plan administrator. The plan administrator determines the exercise price for a stock option, within the terms and conditions of the 2007 plan, provided that the exercise price of a stock option cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2007 plan vest at the rate specified by the plan administrator.

The plan administrator determines the term of the stock options granted under the 2007 plan, up to a maximum of 10 years, except in the case of certain incentive stock options, as described below. Unless the terms of an optionholder's stock option agreement provide otherwise, if an optionholder's relationship with us, or any of our affiliates, ceases for any reason other than disability or death, the optionholder may exercise any options vested as of the date of termination but only during the post-termination exercise period designated in the optionholder's stock option agreement. The plan administrator may determine such other portion of the optionholder's unvested award that may be exercised during the post-termination exercise period. The optionholder's stock option agreement may provide that upon the termination of the optionholder's relationship with us, for cause, the optionholder's right to exercise its options shall terminate concurrently with the termination of the relationship. If an optionholder's service relationship with us, or any of its affiliates, ceases due to disability or death, or an optionholder dies within a certain period following cessation of service, the optionholder or beneficiary may exercise any vested options for a period of 12 months. The option term may be extended in the event that exercise of the option following termination of service is prohibited by applicable securities laws or such longer period as specified in the stock option agreement but in no event beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the plan administrator and may include (a) cash or check, (b) surrender of a promissory note acceptable to the plan administrator (subject to minimum interest provisions set forth in the 2007 plan) (c) a broker-assisted cashless exercise, (d) the tender of common stock previously owned by the optionholder, (e) a net exercise of the option, (f) past or future services rendered and (g) any other legal consideration approved by the plan administrator.

Unless the plan administrator provides otherwise, options generally are not transferable except by will, the laws of descent and distribution, or pursuant to a domestic relations order. An optionholder may designate a beneficiary, however, who may exercise the option following the optionholder's death.

Incentive stock options may be granted only to our employees. The aggregate fair market value, determined at the time of grant, of shares of our common stock with respect to incentive stock options that are exercisable for the first time by an optionholder during any calendar year under the 2007 plan may not exceed $100,000. No incentive stock option may be granted to any employee who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of the total combined voting power or that of any of our affiliates unless (a) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant and (b) the term of the incentive stock option does not exceed five years from the date of grant.

Stock Awards and Restricted Stock

A stock award consists of the transfer by us to a participant of shares of common stock. The consideration for the shares to be issued shall be determined by the plan administrator. Shares of common stock acquired pursuant to a stock award may, but need not be, subject to a share repurchase option in our favor in accordance with a vesting schedule to be determined by the plan administrator.

Other Awards

In the case of other awards granted under the 2007 plan, the administrator has the authority to determine the exercise or purchase price, if any.

Corporate Transactions

Effective upon the consummation of a corporate transaction, all outstanding awards under the 2007 plan shall terminate. However, all such awards shall not terminate to the extent they are assumed in connection with the corporation transaction.

The plan administrator shall have the authority, exercisable either in advance of any actual or anticipated corporate transaction or change in control or at the time of an actual corporate transaction or change in control and exercisable at the time of the grant of an award under the 2007 plan or any time while an award remains outstanding, to provide for the full or partial automatic vesting and exercisability of one or more outstanding unvested awards under the 2007 plan and the release from restrictions on transfer and repurchase or forfeiture rights of such awards in connection with a corporate transaction of change in control, on such term and conditions as the plan administrator may specify. The plan administrator shall also have the authority to condition any such award vesting and exercisability or release from such limitations upon the subsequent termination of the continuous service of the holder of the award within a specified period following the effective date of the corporate transaction or change in control. The plan administrator may provide that any awards so vested or released from such limitations in connection with a change in control, shall remain fully exercisable until the expiration or sooner termination of the award.

Amendment and Termination

Our board of directors may amend, suspend or terminate the 2007 plan as it deems advisable, except that it may not amend the 2007 plan in any way that would adversely affect a participant with respect to an award previously granted. In addition, our board of directors may not amend the 2007 plan without stockholder approval if such approval is then required pursuant to Section 422 of the Code, the regulations promulgated thereunder or the rules of any stock exchange or similar regulatory body.

Non-Executive Director Compensation

The following table and related footnotes show the compensation paid during the fiscal year ended December 31, 2010 to our non-executive directors. Because Messrs. Barrett and Rogers were not directors during 2010 they are not included in the following table.

Name	Fees Earned or paid in Cash	Option Awards (1)	All Other Compensation	Total
Jimmie Harvey, M.D. (2)	$ 10,000	$ 39,080	—	$ 49,080
J. Jay Lobell (3)	$ 10,000	$ 39,080	—	$ 49,080
Lindsay A. Rosenwald, M.D. (4)	$ 10,000	$ 39,080	—	$ 49,080
Eric K. Rowinsky, M.D. (5)	—	$337,459	$ 62,500(6)	$399,959

(1) Amounts listed represent the aggregate fair value amount computed as of the grant date of each option and award during 2010 in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in Note 14, *Stock-Based Compensation*, of the Notes to Financial Statements. As required by SEC rules, the amounts shown exclude the impact of estimated forfeitures related to service-based vesting conditions. Our directors will only realize compensation to the extent the trading price of our common stock is greater than the exercise price of such stock options.

(2) The aggregate number of shares subject to Dr. Harvey's outstanding option award as of December 31, 2010 was 25,000 shares. 1/3 of the total of number of shares subject to this option vest on each annual anniversary of the applicable grant date for so long as Dr. Harvey continues to serve on our board.

(3) The aggregate number of shares subject to Mr. Lobell's outstanding option award as of December 31, 2010 was 25,000 shares. 1/3 of the total of number of shares subject to this option vest on each annual anniversary of the applicable grant date for so long as Mr. Lobell continues to serve on our board.

(4) The aggregate number of shares subject to Dr. Rosenwald's outstanding option award as of December 31, 2010 was 25,000 shares. 1/3 of the total of number of shares subject to this option vest on each annual anniversary of the applicable grant date for so long as Dr. Rosenwald continues to serve on our board.

(5) The aggregate number of shares subject to Dr. Rowinsky's outstanding option award as of December 31, 2010 was 193,490 shares. 1/3 of the total of number of shares subject to this option vest on each annual anniversary of the applicable grant date for so long as Dr. Rowinsky continues to serve on our board.

(6) Represents payments pursuant to a consulting agreement between us and Dr. Rowinsky.

In September 2010, we entered into a consulting agreement with Dr. Rowinsky, one of our directors, pursuant to which we granted an option to purchase 193,490 shares of common stock at an exercise price equal to $1.37, the fair market value at the time of grant, to Dr. Rowinsky in connection with his service as our vice chairman. In addition, Dr. Rowinsky is paid $250,000 per year for his services as our vice chairman.

In October 2010, our board of directors adopted a compensation program for our non-employee directors ("the Non-Employee Director Compensation Policy"). Pursuant to the Non-Employee Director Compensation Policy, each member of our board of directors who is not our employee and who is not otherwise receiving compensation from us pursuant to another arrangement, will receive an annual cash retainer of $30,000, payable quarterly, and received an initial option grant to purchase up to 25,000 shares of our common stock. Such stock options vest in three annual installments.

Our amended and restated certificate of incorporation limits the liability of our directors to the maximum extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for breach of their fiduciary duties as directors, except for liability for any:

- breach of their duty of loyalty to the corporation or its stockholders;
- act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;

- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- transaction from which the directors derived an improper personal benefit.

Our amended and restated certificate of incorporation does not eliminate a director's duty of care and, in appropriate circumstances, equitable remedies, such as injunctive or other forms of non-monetary relief, remain available under Delaware law. These limitations also do not affect a director's responsibilities under any other laws, such as the federal securities laws or other state or federal laws. Our amended and restated bylaws provide that we will indemnify our directors and executive officers, and may indemnify other officers, employees and other agents, to the fullest extent permitted by law. Our amended and restated bylaws also provide that we may advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by us and secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in connection with their services to us, regardless of whether our amended and restated bylaws permit such indemnification. We have obtained a directors' and officers' liability insurance policy.

We have entered, and intend to continue to enter, into separate indemnification agreements with our directors and executive officers, in addition to the indemnification provided for in our amended and restated bylaws. These agreements, among other things, require us to indemnify our directors and executive officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of their services as one of our directors or executive officers, or any of our subsidiaries or any other company or enterprise to which the person provides services at our request. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against directors for breach of their fiduciary duties. They may also reduce the likelihood of derivative litigation against directors and officers, even though an action, if successful, might benefit us and our stockholders. A stockholder's investment may be harmed to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions.

At present, there is no pending litigation or proceeding involving any of our directors or executive officers as to which indemnification is required or permitted, and we are not aware of any threatened litigation or proceeding that may result in a claim for indemnification.

Compensation Committee Interlocks and Insider Participation

None of our officers currently serves, or has served during the last completed fiscal year, on the compensation committee or board of directors of any other entity that has one or more officers serving as a member of our board of directors.

Item 7. Certain Relationships and Related Transactions, and Director Independence.

Related Party Transactions

The following is a description of transactions since January 1, 2008 to which we have been a party, in which the amount involved exceeded or will exceed $120,000, and in which any of our directors, executive officers or beneficial owners of more than 5% of our capital stock, or an affiliate or immediate family member thereof, had or will have a direct or indirect material interest, other than compensation, termination and change-in-control arrangements, which are described under "Executive Compensation."

Convertible Note and Equity Financings

2008 Bridge Financing

Between February 2008 and April 2008, we issued convertible promissory notes in an aggregate amount of $4.1 million ("2008 Notes"). The 2008 Notes bore interest at the rate of 8% to 10% per annum and, as extended, matured on September 30, 2010. Manchester Securities Corp. ("Manchester"), a holder of more than 5% of our capital stock, purchased $2.0 million principal amount of 2008 Notes. In April 2010, the 2008 Notes held by Manchester, together with accrued interest, were converted into 411,763 shares of our Series A Convertible Preferred Stock ("Series A shares").

2009 Bridge Financing.

Between July 2009 and September 2009, we issued convertible promissory notes in an aggregate amount of $3.5 million ("2009 Notes"). The 2009 Notes bore interest at the rate of 8% to 10% per annum and, as extended, matured on September 30, 2010. Brookline, a holder of more than 5% of our capital stock, purchased $1.5 million principal amount of 2009 Notes. In April 2010, the 2009 Notes held by Brookline, together with accrued interest, were converted into 307,212 Series A shares.

2010 Series A Financing.

In April 2010 and August 2010, we issued an aggregate of 2,584,166 Series A shares for an aggregate purchase price of $21.7 million (not including the conversion of the 2008 Notes and the 2009 Notes) to investors (the "Series A Financing"). Lindsay A. Rosenwald, M.D., one of our directors and principal stockholders, and Brookline, a principal stockholder, purchased 98,164 and 328,963 Series A shares, respectively, for a purchase price of $8.39 per share.

2011 Series C Financing.

Between May 2011 and July 2011, we issued an aggregate of 4,612,624 Series C shares for an aggregate purchase price of $25.8 million (the "Series C Financing"). The following table sets forth the number of Series C shares purchased by our officers, directors and principal stockholders in the Series C Financing:

Name	Number of Series C shares Purchased
Glenn L. Cooper, M.D.	30,000
Bobby W. Sandage, Jr., Ph.D.	10,000
Dale and Debra Ritter	5,000
Lindsay A. Rosenwald	214,669
Manchester Securities Corp. (2)	447,226

(1) Additional detail regarding these stockholders and their equity holdings is provided in "Security Ownership of Certain Beneficial Owners and Management."

(2) Represents 178,890 Series C shares purchased by Elliot Associates and 268,336 purchased by Elliot International.

CNDO-201 Sublicense

In January 2011, we acquired certain assets of Asphelia relating to CNDO-201 pursuant to an asset purchase agreement. The consideration paid for the assets included the assumption of the certain Asphelia liabilities and the issuance of 2,525,677 Series B shares. At the time of such acquisition, Mr. Lobell, one of our directors, was the chief executive officer and a director of Asphelia and Dr. Rosenwald, one our directors and principal stockholders, was a significant stockholder of Asphelia. One liability assumed from Asphelia was a 10% senior

promissory note (the "PCP Note") dated January 2009 issued by Asphelia to PCP, an entity whose managing member is Dr. Rosenwald, in the principal amount of $750,000. Interest on the PCP Note is at the rate of 10% per annum payable quarterly, in arrears, and the principal matures on the earliest of (i) December 31, 2013 and (ii) the consummation of a merger, share exchange or other similar transaction.

Other Loans

In December 2007, January 2008, February 2008, May 2009 and July 2009, we issued future advance promissory notes of $415,000 to Capretti Grandi, LLC, $415,000 to the LAR Family Trusts, and $1,391,000 to PBS, all entities affiliated with Dr. Rosenwald. In 2009, we repaid $600,000 of the principal and related interest of the PBS notes. All remaining principal and accrued interest on these promissory notes converted into Series A shares in connection with the first closing of the Series A Financing in April 2010.

In January 2009, May 2009 and June 2009, we issued 10% senior promissory notes to PCP, an entity affiliated with Dr. Rosenwald and Mr. Lobell, two of our directors, in the aggregate principal amount of $570,000. These promissory notes were repaid in full on September 30, 2010.

Placement Agency Agreements

Dr. Rosenwald is the chairman, chief executive officer and sole stockholder of PBC, which served as the placement agent for the offerings of our convertible debt and equity securities in 2008, 2009 and 2010. Pursuant to the engagement agreement for such prior offerings, PBC has a right of first refusal to act as the lead-finder, placement agent or other similar agent in relation to any securities offerings on our behalf during the 18-month period following the date of the final closing of the last offering for which it was our placement agent, which occurred on August 30, 2010. In connection with the provision of placement agency services by PBC for our Series A shares, we paid an aggregate of $2.2 million in cash fees and issued PBC warrants to purchase an aggregate of 258,418 shares of our common stock at an exercise price of $8.39 per share. In connection with the placement of our convertible debt, we paid Paramount $529,000 in cash and issued to PBC 90,226 warrants to purchase common stock at $9.229 per share. All of such warrants were subsequently transferred by PBC to other individuals and entities. PBC waived its right of first refusal to act as placement agent for our 2011 Series C Financing.

In October 2010, Dr. Rosenwald indirectly acquired a controlling interest in National Securities Corporation ("National"), which served as the placement agent for the Series C Financing in May and June 2011, through an investment in National Holdings Corporation, the 100% owner and parent of National. Dr. Rosenwald's investment is through Opus, which beneficially owns approximately 23.6% of National Holdings Corporation. Dr. Rosenwald beneficially owns a 50% interest in Opus. In connection with this private placement, National received commissions of $2.6 million and five year warrants to purchase an aggregate of 461,263 Series C shares.

Services Agreements

From June 2006 to June 2008, PBS, of which Dr. Rosenwald is the sold member, provided us with certain drug development, professional, administrative and back office support services pursuant to a services agreement. In return for the services provided, we paid PBS $25,000 per month and reimbursed PBS for its actual out-of-pocket expenses of up to $5,000 per month. From July 2008 through June 2011, PBS contributed back office support at a determined value of $10,000 per quarter. In addition to Dr. Rosenwald, one of our non-employee directors, Mr. Lobell, is an employee, president and chief operating officer of PBS.

In 2010, we entered into consulting agreements with two of our directors, Drs. Cooper and Rowinsky, each as more fully described in "Executive and Director Compensation—Non-Employee Director Compensation." The 2010 letter agreement with Dr. Cooper was superseded by the employment agreement we entered into with him in April 2010.

We have entered into employment arrangements with our executive officers, as more fully described in "Executive and Director Compensation—Executive Employment Agreements" and "—Potential Payments Upon Termination or Change in Control."

Stock Options Granted to Executive Officers and Directors

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

Indemnification Agreements

We have entered, and intend to continue to enter, into separate indemnification agreements with each of our directors and executive officers, as described in "Executive and Director Compensation—Limitation of Liability and Indemnification."

Director Independence

Board Leadership Structure

Our board of directors has a chairman, Dr. Cooper, who has authority, among other things, to call and preside over board meetings to set meeting agendas and to determine materials to be distributed to the board of directors. Accordingly, the chairman has substantial ability to shape the work of the board of directors. We believe that separation of the positions of chairman and chief executive officer reinforces the independence of the board in its oversight of our business and affairs. In addition, we believe that having a separate board chairman creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of the board of directors to monitor whether management's actions are in the best interests of us and our stockholders. As a result, we believe that having a separate board chairman can enhance the effectiveness of the board of directors as a whole.

Role of the Board in Risk Oversight

Our audit committee is primarily responsible for overseeing our risk management processes on behalf of the full board of directors. Going forward, we expect that the audit committee will receive reports from management at least quarterly regarding our assessment of risks. In addition, the audit committee reports regularly to the full board of directors, which also considers our risk profile. The audit committee and the full board of directors focus on the most significant risks we face and our general risk management strategies. While the board oversees our risk management, management is responsible for day-to-day risk management processes. Our board of directors expects management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the audit committee and the board of directors. We believe this division of responsibilities is the most effective approach for addressing the risks we face and that our board leadership structure, which also emphasizes the independence of the board in its oversight of its business and affairs, supports this approach.

Board Committees

In July 2011, our board of directors established an audit committee comprised of Messrs. Rogers, Barrett and Lobell, each of whom is a non-employee member of the board of directors. Mr. Rogers serves as the chair of the audit committee. The audit committee operates under a charter approved by our board.

The functions of this committee include, among other things:

- evaluating the performance, independence and qualifications of our independent auditors and determining whether to retain our existing independent auditors or engage new independent auditors;

- reviewing and approving the engagement of our independent auditors to perform audit services and any permissible non-audit services;
- reviewing our annual and quarterly financial statements and reports and discussing the statements and reports with our independent auditors and management;
- reviewing with our independent auditors and management significant issues that arise regarding accounting principles and financial statement presentation, and matters concerning the scope, adequacy and effectiveness of our financial controls;
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding financial controls, accounting or auditing matters and other matters;
- preparing the report that the SEC will require in our annual proxy statement;
- reviewing and providing oversight with respect to any related party transactions and monitoring compliance with a code of ethics that we will adopt;
- reviewing our investment policy on a periodic basis; and
- reviewing and evaluating, at least annually, the performance of the audit committee, including compliance of the audit committee with its charter.

Our board of directors has determined that each member of the audit committee meets the financial literacy requirements under the applicable NYSE Amex or NASDAQ Stock Market rules and that Mr. Rogers' employment experience qualifies him as an audit committee financial expert within the meaning of SEC rules and regulations.

Following the effectiveness of this Form 10, we expect to establish a compensation committee of the board that will be responsible for creating and recommending the compensation of our executive officers to our board of directors, overseeing our compensation and benefit plans and policies and administering our equity incentive plans.

Item 8. Legal Proceedings.

We are not party to any pending legal proceedings.

Item 9. Market Price of and Dividends on the Registrant's Common Equity and Related Stockholder Matters.

Market information

There is no established public trading market in our common stock. Our securities are not listed for trading on any national securities exchange nor are bid or asked quotations reported in any over-the-counter quotation service.

Equity Compensation Plans

We expect that in the future we will file a registration statement on Form S-8 under the Securities Act registering the common stock subject to outstanding options or reserved for issuance under our 2007 plan. That registration statement will become effective immediately upon filing, and shares covered by that registration statement will thereupon be eligible for sale in the public markets, subject to grant of the underlying awards, vesting provisions and Rule 144 limitations applicable to our affiliates.

Holders

As of June 30, 2011, there were 7,028,059 shares of common stock outstanding, which were held by approximately 329 record stockholders. In addition, there were 4,357,885 Series A shares outstanding, which

were held by approximately 269 record holders, there were 2,525,677 Series B shares outstanding, which were held by approximately 29 record holders and there were 4,612,624 Series C shares outstanding, which were held by approximately 343 record holders. As of June 30, 2011, each Series A share, Series B share and Series C share was convertible into one share of common stock.

As of the date of this Registration Statement, we have no present commitments to issue shares of our capital stock to any 5% holder, director or nominee, other than pursuant to the exercise of outstanding options and warrants as more fully set forth elsewhere in this Form 10.

Dividends

We have never paid cash dividends on any of our capital stock and currently intends to retain our future earnings, if any, to fund the development and growth of our business.

Stock Not Registered Under the Securities Act; Rule 144 Eligibility

Our common stock and convertible preferred stock, including our common stock and convertible preferred stock underlying outstanding warrants, have not been registered under the Securities Act. Accordingly, the shares of common stock and preferred stock issued and outstanding and the shares of common stock and preferred stock issuable upon the exercise of any warrants may not be resold absent registration under the Securities Act and applicable state securities laws or an available exemption thereunder.

Rule 144

Shares of our common stock that are restricted securities will be eligible for resale in compliance with Rule 144 (“Rule 144”) or Rule 701 (“Rule 701”) of the Securities Act, subject to the requirements described below. “Restricted Securities,” as defined under Rule 144, were issued and sold by us in reliance on exemptions from the registration requirements of the Securities Act. These shares may be sold in the public market only if registered or if they qualify for an exemption from registration, such as Rule 144 or Rule 701. Below is a summary of the requirements for sales of our common stock pursuant to Rule 144, as in effect on the date of this Form 10, after the effectiveness of this Form 10.

Affiliates

Affiliates will be able to sell their shares under Rule 144 beginning 90 days after the effectiveness of this Form 10, subject to all other requirements of Rule 144. In general, under Rule 144, an affiliate would be entitled to sell within any three-month period a number of shares that does not exceed one percent of the number of shares of our common stock then outstanding. Sales under Rule 144 are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Persons who may be deemed to be our affiliates generally include individuals or entities that control, or are controlled by, or are under common control with, us and may include our directors and officers, as well as our significant stockholders.

Non-Affiliates

For a person who has not been deemed to have been one of our affiliates at any time during the 90 days preceding a sale, sales of our shares of common stock held longer than six months, but less than one year, will be subject only to the current public information requirement and can be sold under Rule 144 beginning 90 days after the effectiveness of this Form 10. A person who is not deemed to have been one of our affiliates at any time during the 90 days preceding a sale, and who has beneficially owned the shares proposed to be sold for at least one year, is entitled to sell the shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144 upon the effectiveness of this Form 10.

Rule 701

Rule 701 under the Securities Act, as in effect on the date of this Form 10, permits resales of shares in reliance upon Rule 144 but without compliance with certain restrictions of Rule 144, including the holding period requirement. Most of our employees, executive officers, directors or consultants who purchased shares under a written compensatory plan or contract may be entitled to rely on the resale provisions of Rule 701, but all holders of Rule 701 shares are required to wait until 90 days after the effective date of this Form 10 before selling their shares under Rule 701.

Securities Authorized for Issuance Upon the Exercise of Warrants

As of June 30, 2011, there were outstanding warrants to purchase the following shares of our capital stock:

Description	Number of shares subject to such warrants	Weighted-average exercise price of such warrants
Common Stock	527,535	$7.18
Series C Convertible Preferred Stock	461,263	$5.59

For more information about the material terms of these warrants, please see “Item 11. Description of Registrant’s Securities to be Registered.”

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth information regarding our equity compensation plans as of December 31, 2010. There are no equity compensation plans that have not been approved by our security holders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders	1,132,110	$1.37	2,350,720

Item 10. Recent Sales of Unregistered Securities.

The following list sets forth information regarding all securities sold or issued for services by us since January 2008:

(1) Between February 2008 and April 2008, we issued convertible promissory notes in an aggregate amount of $4,070,000 to investors. These notes, plus accrued interest, converted into 835,724 Series A shares in April 2010.

(2) In February 2008, in connection with the placement of the 2008 Notes, we issued warrants to purchase an aggregate of 48,510 shares of our common stock with an exercise price of $9.229 per share. These warrants were initially issued to PBC. PBC subsequently transferred these warrants to other entities and individuals.

(3) In January 2009, May 2009 and June 2009, in connection with borrowings under 10% senior promissory notes, we issued warrants to purchase an aggregate of 27,175 shares of our common stock with an exercise price of $9.229 per share to PCP.

(4) Between July 2009 and September 2009, we issued convertible promissory notes in an aggregate principal amount of $3,500,000 to investors. These notes, plus accrued interest, converted into 628,755 Series A shares in April 2010.

(5) In July 2009, in connection with the placement of convertible promissory notes in the 2009 bridge financing, we issued warrants to purchase an aggregate of 41,716 shares of our common stock with an exercise price of $9.229 per share. These warrants were initially issued to PBC, which acted as the exclusive placement agent for the 2009 bridge financing. PBC subsequently transferred these warrants to other entities and individuals.

(6) In April 2010, May 2010, June 2010, July 2010 and August 2010, we issued an aggregate of 2,584,166 Series A shares to investors for an aggregate purchase price of $21.7 million (not including the conversion of the bridge notes referenced in items (1) and (4) above).

(7) In April 2010, May 2010, June 2010, July 2010 and August 2010, in connection with the placement of the Series A shares, we issued warrants to purchase an aggregate of 258,418 shares of our common stock with an exercise price of $8.39 per share. These warrants were initially issued to PBC, which acted as the exclusive placement agent for the Series A Financing. PBC subsequently transferred these warrants to other entities and individuals.

(8) In November 2010, in connection with the engagement of Coltin Securities, Inc. for placement agency services, we issued to Coltin a warrant to purchase 41,716 shares of common stock with an exercise price of $9.23 per share.

(9) In January 2011, we acquired certain assets of Asphelia relating to CNDO-201 pursuant to an asset purchase agreement. The consideration paid for the assets included the issuance of 2,525,677 Series B shares to Asphelia. These shares have been or will be distributed to Asphelia's designees.

(10) In February 2011, we issued warrants to purchase an aggregate of 50,000 shares of our common stock with an exercise price of $1.37 per share to two individuals as compensation for services rendered and related to CNDO-201.

(11) In March 2011, we issued a warrant to purchase up to an aggregate of 60,000 shares of common stock with an exercise price of $1.37 per share to our former corporate secretary, as partial compensation under a consulting agreement.

(12) In May 2011 and June 2011, we issued an aggregate of 4,612,624 Series C shares for an aggregate purchase price of $25.8 million.

(13) In May 2011 and June 2011, in connection with the Series C Financing in (12) above, we issued warrants to purchase 461,263 Series C shares with an exercise price of $5.59 per share. These warrants were issued to National Securities Corporation, which acted as the exclusive placement agent for the Series C Financing.

(14) From January 1, 2008 to June 30, 2011, we granted stock options under our 2007 plan to purchase an aggregate of 1,567,110 shares of our common stock (net of cancellations) to our employees, directors and consultants, having exercise prices ranging from $1.37 to $1.93 per share. Of these, options to purchase 58,040 shares of common stock have been exercised through June 30, 2011 for aggregate consideration of $79,515, each at an exercise price of $1.37 per share.

(15) In July 2009, we issued 5,000 shares of common stock to a consultant as compensation for services rendered.

(16) In April 2010, we issued 23,836 shares of common stock to a consultant as compensation for services rendered.

(17) From 2006 until March 2010, we issued promissory notes in the aggregate principal amount of $1,621,000 to three related parties. In April 2010, these notes, plus accrued interest, were converted into 309,240 Series A shares.

The offers, sales and issuances of the securities described in paragraphs (1), (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), (12), (13), (15), (16) and (17) were deemed to be exempt from registration under the Securities Act in reliance on Rule 506 of Regulation D in that the issuance of securities to the accredited investors did not involve a public offering. The recipients of securities in each of these transactions acquired the securities for investment only and not with a view to or for sale in connection with any distribution thereof and appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions was an accredited investor under Rule 501 of Regulation D.

The offers, sales and issuances of the securities described in paragraph (14) were deemed to be exempt from registration under the Securities Act in reliance on Rule 701 in that the transactions were under compensatory benefit plans and contracts relating to compensation as provided under Rule 701. The recipients of such securities were our employees, directors or bona fide consultants and received the securities under our 2007 plan. Appropriate legends were affixed to the securities issued in these transactions. Each of the recipients of securities in these transactions had adequate access, through employment, business or other relationships, to information about us.

Item 11. Description of Registrant's Securities to be Registered.

As of June 30, 2011, we had 50,000,000 authorized shares of common stock, par value $0.001 per share.

Common Stock

As of June 30, 2011, there were 7,028,059 shares of common stock outstanding. As of June 30, 2011, there were 1,509,070 shares of common stock subject to outstanding options. Each holder of common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of the stockholders, including the election of directors. Our amended and restated certificate of incorporation and amended and restated bylaws do not provide for cumulative voting rights. Subject to preferences that may be applicable to any then outstanding preferred stock, the holders of our outstanding shares of common stock are entitled to receive dividends, if any, as may be declared from time to time by our board of directors out of legally available funds. In the event of our liquidation, dissolution or winding up, holders of common stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of our debts and other liabilities, subject to the satisfaction of any liquidation preference granted to the holders of any outstanding shares of preferred stock. Holders of our common stock have no preemptive, conversion or subscription rights, and there are no redemption or sinking fund provisions applicable to the common stock. The rights, preferences and privileges of the holders of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of our preferred stock that are outstanding or that we may designate and issue in the future. All of our outstanding shares of common stock are fully paid and nonassessable.

Warrants

As of June 30, 2011, there were outstanding warrants to purchase the following shares of our capital stock:

Description	# of shares subject to such Warrants	Weighted-average exercise price of such Warrants
Common Stock	527,535	$7.18
Series C Convertible Preferred Stock	461,263	$5.59

In February 2008, in connection with the placement of convertible promissory notes in the 2008 bridge financing, we issued warrants to purchase an aggregate of 48,510 shares of our common stock with an initial exercise price of $9.229 per share. These warrants were initially issued to PBC, which acted as the exclusive placement agent for the 2008 bridge financing. PBC subsequently transferred these warrants to other entities and individuals. These warrants terminate seven years after the date issued.

In January 2009, May 2009 and June 2009, in connection with borrowings under 10% senior promissory notes, we issued warrants to purchase an aggregate of 27,175 shares of our common stock with an initial exercise price of $9.229 per share. These warrants terminate five years after the date issued.

In July 2009, in connection with the placement of convertible promissory notes in the 2009 bridge financing, we issued warrants to purchase an aggregate of 41,716 shares of our common stock with an initial exercise price of $9.229 per share. These warrants were initially issued to PBC, which acted as the exclusive placement agent for

the 2009 bridge financing. PBC subsequently transferred these warrants to other entities and individuals. These warrants terminate seven years after the date issued.

In April 2010, May 2010, June 2010, July 2010 and August 2010, in connection with the Series A Financing, we issued warrants to purchase an aggregate of 258,418 shares of our common stock with an initial exercise price of $8.39 per share. These warrants were initially issued to PBC, which acted as the exclusive placement agent for the Series A Financing. PBC subsequently transferred these warrants to other entities and individuals. These warrants terminate seven years after the date issued.

In November 2010, in connection with the engagement of Coltin Securities, Inc. for placement agency services, we issued a warrant to purchase 41,716 shares of common stock with an initial exercise price of $9.23 per share. This warrant terminates five years after the date issued.

In February 2011, we issued warrants to purchase an aggregate of 50,000 shares of common stock with an exercise price of $1.37 per share to two individuals as compensation for services rendered and related to CNDO-201. These warrants terminate five years after the date issued.

In March 2011, we issued a warrant to purchase up to an aggregate of 60,000 shares of common stock with an initial exercise price of $1.37 per share to our former corporate secretary, as partial compensation under a consulting agreement. This warrant terminates ten years after the date issued.

In May 2011 and June 2011, in connection with our Series C Financing, we issued five year warrants to purchase 461,263 Series C shares with an exercise price of $5.59 per share.

Registration Rights

Holders of our Series A shares, Series B shares and Series C shares have the right to require us to register with the SEC the shares of common stock issuable upon conversion of such preferred stock so that those shares of common stock may be publicly resold, or to include those shares in any registration statement we file. In addition, certain holders of our outstanding warrants to purchase common stock and the holders of warrants to purchase preferred stock have the right to require us to register the shares of common stock underlying such warrants for resale to the public. The shares of common stock issuable upon conversion of the outstanding shares of preferred stock, and the shares of common stock issuable upon the exercise of the outstanding warrants which include such registration rights are hereinafter referred to as the "Underlying Securities."

Demand registration rights. At any time beginning 180 days after the earlier of (i) the effective date of an initial offering of our equity securities pursuant to an effective registration statement and (ii) the first date on which the common stock trades on a national securities exchange or an Over-the-Counter Bulletin Board, the holders of at least a majority of the Underlying Securities having registration rights have the right to demand that we file one registration statement. These registration rights are subject to specified conditions and limitations, including the right of the underwriters to limit the number of shares of Underlying Securities included in any such registration under certain circumstances.

Form S-3 registration rights. If we are eligible to file a registration statement on Form S-3, each holder of shares of Underlying Securities having registration rights has the right to demand that we file no more than one registration statement for the holders on Form S-3 in any 12-month period so long as the aggregate offering price, before any underwriters' discounts or commissions, of securities to be sold under the registration statement on Form S-3 is at least $5,000,000, subject to specified exceptions, conditions and limitations.

"Piggyback" registration rights. If we register any securities for public sale, stockholders with registration rights will have the right to include their shares in the registration statement. The underwriters of any underwritten offering will have the right to limit the number of shares having registration rights to be included in the registration statement.

Expenses of registration. We will pay all expenses, other than underwriting discounts and commissions, relating to all demand registrations, Form S-3 registrations and piggyback registrations.

Expiration of registration rights. The registration rights described above will terminate, as to a given holder of registrable securities, when such holder of registrable securities can sell all of such holder's registrable securities pursuant to Rule 144 promulgated under the Securities Act in a single transaction without registration or any other restrictions.

Registration rights applicable to Series C Shares and certain other stockholders. In addition to the registration rights set out above, we have agreed that, within 60 days of the earlier to occur of (A) the first day that shares of our capital stock are registered pursuant to Section 12 of the Exchange Act or (B) the effective date of a merger, share exchange, or other transaction (or series of related transactions) in which we merge into or otherwise become a wholly-owned subsidiary of a company that is subject to the public company reporting requirements of the Exchange Act or the equivalent reporting requirements of the Ontario Securities Commission, or that is listed on the London Stock Exchange main market, the Euronext markets, or AIM (the date of the earlier of A or B to occur referred to herein as the "Public Date"), we shall file a resale registration statement covering the resale of all shares of common stock issuable upon conversion of the Shares (or a less than all, if we are limited in the number of shares that we can include on such resale registration statement by regulation or the requirements of any exchange), and use our commercially reasonable efforts to have the registration statement declared effective within 120 days after the Public Date.

We intend to file a registration statement on Form S-1 under the Securities Act shortly following the effectiveness of this Form 10 to permit the resale of the shares of common stock underlying our outstanding preferred stock. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restrictions under the Securities Act immediately upon the effectiveness of such registration. Any sales of securities by holders of these shares could adversely affect the trading prices, if any, of our common stock.

Information Rights

Each holder of our Series A shares who previously held 2008 Notes and 2009 Notes with an aggregate principal amount of at least $2,000,000 (of which there is currently only one, the "Entitled Holder") is entitled to information rights with respect to us for so long as such holder beneficially owns at least five percent of our issued and outstanding voting securities, determined on an as-if-converted-to-common-stock basis. Such Entitled Holder is generally entitled to access to our properties, books and records, quarterly and annual financial statements and other miscellaneous documents. Such information rights are subject to confidentiality obligations and will terminate on the date upon which we become subject to the periodic reporting requirements of the Exchange Act.

Participation Rights

Pursuant to an agreement between us and Manchester, Manchester has a participation right to purchase its pro rata percentage of any equity securities (subject to customary exceptions) issued by us until the date that is 18 months after Manchester's stock is registered for resale under the Securities Act. The "pro rata percentage" is equal to the ratio of (a) the number of shares of our capital stock which Manchester is deemed to beneficially own immediately prior to the issuance of such equity securities, to (b) the total number of shares of our common stock outstanding (including all shares of common stock issued or issuable upon conversion of the preferred stock or upon the exercise of any outstanding warrants or options) immediately prior to the issuance of the equity

securities. In lieu of giving notice to Manchester prior to the issuance of equity securities, we may elect to give notice to such stockholder within ten (10) days after the issuance of equity securities. In that case, Manchester shall have ninety (90) days from the date of receipt of such notice to elect to purchase up to the number of shares that would, if purchased by it, maintain such it's *pro rata* share of our equity securities after giving effect to all such purchases.

Anti-Takeover Provisions

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that might have an anti-takeover effect. These provisions, which are summarized below, may have the effect of delaying, deterring or preventing a change in control of our company. They could also impede a transaction in which our stockholders might receive a premium over the then-current market price of our common stock and our stockholders' ability to approve transactions that they consider to be in their best interests.

Our amended and restated certificate of incorporation permits our board of directors to issue preferred stock. We could authorize the issuance of a series of preferred stock which would grant to holders preferred rights to our assets upon liquidation, the right to receive dividend coupons before dividends would be declared to holders of shares of our existing preferred stock and our existing preferred stock and common stock. Our current stockholders have no redemption rights. In addition, as we have a large number of authorized but unissued shares, our board of directors could issue large blocks of voting stock to fend off unwanted tender offers or hostile takeovers without further stockholder approval.

We are subject to Section 203 of the Delaware General Corporation Law. In general, Section 203, subject to specific exceptions, prohibits a publicly-held Delaware corporation from engaging in any "business combination" with any "interested stockholder" for a period of three years following the date that the stockholder became an interested stockholder, unless:

- prior to that date, the board of directors approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85 percent of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares outstanding those shares owned by directors, officers and specific employee stock plans; or
- on or after that date, the business combination is approved by the board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of the holders of at least 66 2/3 percent of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 defines "business combination" to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, lease, exchange, mortgage, transfer, pledge or other disposition of 10 percent or more of the assets of the corporation involving the interested stockholder;
- subject to limited exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the corporation's stock of any class or series beneficially owned by the interested stockholder; and
- the receipt by the "interested stockholder" of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, an "interested stockholder" is an entity or individual who, together with affiliates and associates, owns, or within three years prior to the determination of the "interested stockholder" status owned, 15 percent or more of a corporation's outstanding voting stock.

The provisions of Section 203 could encourage companies interested in acquiring us to negotiate in advance with our board of directors since the stockholder approval requirement would be avoided if our board of directors approves either the business combination or the transaction that results in the stockholder becoming an interested stockholder. These provisions also could have the effect of preventing changes in our management or could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Item 12. Indemnification of Directors and Officers.

Amended and Restated Bylaws

Pursuant to our amended and restated bylaws, our directors and officers will be indemnified to the fullest extent allowed under the laws of the State of Delaware for their actions in their capacity as our directors and officers.

We must indemnify any person made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative ("Proceeding") by reason of the fact that he is or was a director, against judgments, penalties, fines, settlements and reasonable expenses (including attorney's fees) ("Expenses") actually and reasonably incurred by him in connection with such Proceeding if: (a) he conducted himself in good faith, and: (i) in the case of conduct in his own official capacity with us, he reasonably believed his conduct to be in our best interests, or (ii) in all other cases, he reasonably believes his conduct to be at least not opposed to our best interests; and (b) in the case of any criminal Proceeding, he had no reasonable cause to believe his conduct was unlawful.

We must indemnify any person made a party to any Proceeding by or in the right of us, by reason of the fact that he is or was a director, against reasonable expenses actually incurred by him in connection with such proceeding if he conducted himself in good faith, and: (a) in the case of conduct in his official capacity with us, he reasonably believed his conduct to be in our best interests; or (b) in all other cases, he reasonably believed his conduct to be at least not opposed to our best interests; provided that no such indemnification may be made in respect of any proceeding in which such person shall have been adjudged to be liable to us.

No indemnification will be made by unless authorized in the specific case after a determination that indemnification of the director is permissible in the circumstances because he has met the applicable standard of conduct.

Reasonable expenses incurred by a director who is party to a proceeding may be paid or reimbursed by us in advance of the final disposition of such Proceeding in certain cases.

We have the power to purchase and maintain insurance on behalf of any person who is or was our director, officer, employee, or agent or is or was serving at our request as an officer, employee or agent of another corporation, partnership, joint venture, trust, other enterprise, or employee benefit plan against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not we would have the power to indemnify him against such liability under the provisions of the amended and restated bylaws.

Delaware Law

We are incorporated under the laws of the State of Delaware. Section 145 of the Delaware General Corporation Law provides that a Delaware corporation may indemnify any persons who are, or are threatened to be made, parties to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of such corporation), by reason of the fact that such person

was an officer, director, employee or agent of such corporation, or is or was serving at the request of such person as an officer, director, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding, provided that such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was illegal. A Delaware corporation may indemnify any persons who are, or are threatened to be made, a party to any threatened, pending or completed action or suit by or in the right of the corporation by reason of the fact that such person was a director, officer, employee or agent of such corporation, or is or was serving at the request of such corporation as a director, officer, employee or agent of another corporation or enterprise. The indemnity may include expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit provided such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the corporation's best interests except that no indemnification is permitted without judicial approval if the officer or director is adjudged to be liable to the corporation. Where an officer or director is successful on the merits or otherwise in the defense of any action referred to above, the corporation must indemnify him or her against the expenses which such officer or director has actually and reasonably incurred. Our amended and restated certificate of incorporation and amended and restated bylaws provide for the indemnification of our directors and officers to the fullest extent permitted under the Delaware General Corporation Law.

Section 102(b)(7) of the Delaware General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duties as a director, except for liability for any:

- transaction from which the director derives an improper personal benefit;
- act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payment of dividends or redemption of shares; or
- breach of a director's duty of loyalty to the corporation or its stockholders.

Our amended and restated certificate of incorporation and amended and restated bylaws include such a provision. Expenses incurred by any officer or director in defending any such action, suit or proceeding in advance of its final disposition shall be paid by us upon delivery to us of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified by us.

Section 174 of the Delaware General Corporation Law provides, among other things, that a director who willfully or negligently approves of an unlawful payment of dividends or an unlawful stock purchase or redemption may be held liable for such actions. A director who was either absent when the unlawful actions were approved, or dissented at the time, may avoid liability by causing his or her dissent to such actions to be entered in the books containing minutes of the meetings of the board of directors at the time such action occurred or immediately after such absent director receives notice of the unlawful acts.

Indemnification Agreements

As permitted by the Delaware General Corporation Law, we have entered, and intend to continue to enter, into separate indemnification agreements with each of our directors and executive officers, that require us to indemnify such persons against any and all expenses (including attorneys' fees), witness fees, damages, judgments, fines, settlements and other amounts incurred (including expenses of a derivative action) in connection with any action, suit or proceeding, whether actual or threatened, to which any such person may be made a party by reason of the fact that such person is or was a director, an officer or an employee of us or any of our affiliated enterprises, provided that such person acted in good faith and in a manner such person reasonably

believed to be in or not opposed to our best interests and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The indemnification agreements also set forth certain procedures that will apply in the event of a claim for indemnification thereunder.

At present, there is no pending litigation or proceeding involving any of our directors or executive officers as to which indemnification is required or permitted, and we are not aware of any threatened litigation or preceding that may result in a claim for indemnification.

We have an insurance policy covering its officers and directors with respect to certain liabilities, including liabilities arising under the Securities Act or otherwise.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or controlling persons, we have been advised that in the opinion of the SEC this indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Item 13. Financial Statements and Supplementary Data.

The information required by this item may be found beginning on page F-1 of this Form 10.

Item 14. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 15. Financial Statements and Exhibits.

(a) Financial Statements filed as part of this registration statement:

Consolidated Financial Statements:

Consolidated Balance Sheets as of December 31, 2010 and 2009.

Consolidated Statements of Operations for the year ended December 31, 2010, 2009 and 2008.

Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit at December 31, 2010, 2009, 2008, 2007 and 2006.

Consolidated Statements of Cash Flows for the year ended December 31, 2010, 2009 and 2008.

Notes to Consolidated Financial Statements as of December 31, 2010 and 2009.

Condensed Consolidated Financial Statements:

Condensed Consolidated Balance Sheets as of March 31, 2011 and December 31, 2010.

Condensed Consolidated Statements of Operations for the three months ended March 31, 2011 and 2010.

Condensed Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit Period from June 28, 2006 through March 31, 2011.

Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2011 and 2010.

Notes to Condensed Consolidated Financial Statements.

(b) Exhibits.

See the Exhibit Index attached hereto which is incorporated by reference.

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Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)

CONSOLIDATED FINANCIAL STATEMENTS
Index to Financial Statements

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CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of
Coronado Biosciences, Inc.
(a development stage enterprise)

In our opinion, the accompanying consolidated balance sheets and the related consolidated statements of operations, of convertible preferred stock and stockholders' deficit and of cash flows present fairly, in all material respects, the financial position of Coronado Biosciences, Inc. and its subsidiary (a development stage enterprise) at December 31, 2010 and December 31, 2009, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 2010 and, cumulatively, for the period from June 28, 2006 (date of inception) to December 31, 2010 in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements 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. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Florham Park, New Jersey
July 15, 2011

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Consolidated Balance Sheets
($ in thousands)

	As of December 31, 2010	2009
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 14,862	$ 1,510
Prepaid and other current assets	55	5
Total current assets	14,917	1,515
Computer equipment, net of accumulated depreciation	22	15
Deferred financing costs	—	157
Total Assets	$ 14,939	$ 1,687
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 476	$ 628
Accounts payable – related party	46	—
Accrued expenses	1,037	525
Senior convertible notes	—	7,570
Interest payable – senior convertible notes	—	795
Notes payable – related parties	—	1,319
Interest payable – related parties	—	252
PCP Interest payable – related party	—	38
Borrowings under line of credit	—	80
Total current liabilities	1,559	11,207
PCP Notes payable – related party	—	570
Total Liabilities	1,559	11,777
Commitments and Contingencies (Note 6)		
Convertible Preferred Stock Series A, $.001 par value, 10,000,000 shares authorized 4,357,885 shares issued and outstanding at December 31, 2010, net of issuance costs (liquidation value of $54,844 at December 31, 2010). At December 31, 2009, no issued or outstanding shares.	29,277	—
Stockholders' Deficit:		
Common Stock, $.001 par value, 50,000,000 shares authorized, 4,791,102 shares issued and outstanding at December 31, 2010. At December 31, 2009, 30,000,000 share authorized and 4,767,266 shares issued and outstanding.	5	5
Additional paid-in capital	4,312	137
Deficit accumulated during the development stage	(20,214)	(10,232)
Total Stockholders' Deficit	(15,897)	(10,090)
Total Liabilities, Convertible Preferred Stock and Stockholders' Deficit	$ 14,939	$ 1,687

The accompanying notes are an integral part of these consolidated financial statements.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Consolidated Statements of Operations
($ in thousands except per share amounts)

	For the Year Ended December 31,			Period from June 28, 2006 (Date of Inception) to December 31, 2010
	2010	2009	2008	
Operating expenses:				
Research and development	$ 8,341	$ 2,270	$ 2,895	$ 15,959
General and administrative	900	343	348	1,859
Loss from operations	(9,241)	(2,613)	(3,243)	(17,818)
Interest income	61	—	18	79
Interest expense, net	(1,535)	(1,053)	(573)	(3,208)
Other income	733	—	—	733
Net loss	$ (9,982)	$ (3,666)	$ (3,798)	$ (20,214)
Basic and diluted net loss per common share	$ (2.24)	$ (1.01)	$ (1.39)	
Weighted average common shares outstanding – basic and diluted	4,453,786	3,612,769	2,731,212	

The accompanying notes are an integral part of these consolidated financial statements.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit
($ in thousands)

	Preferred stock		Common stock				
	Shares	Amount	Shares	Amount	Additional paid-in capital	Deficit accumulated during development stage	Total stockholders' (deficit)
Balances at June 28, 2006 (Date of Inception)	—	$ —	—	$ —	$ —	$ —	$ —
Net loss	—	—	—	—	—	(123)	(123)
Balances at December 31, 2006	—	—	—	—	—	(123)	(123)
Issuance of Common Stock to founders		—	2,125,096	2	—	—	2
Issuance of restricted Common Stock to non-employees	—	—	2,180,000	2	—	—	2
Issuance of restricted Common Stock to employees		—	457,170	1	—	—	1
Stock-based compensation expense		—	—	—	13	—	13
Net loss	—	—	—	—	—	(2,645)	(2,645)
Balances at December 31, 2007	—	—	4,762,266	5	13	(2,768)	(2,750)
Stock-based compensation expense	—	—	—	—	25	—	25
Contribution of services by stockholder	—	—	—	—	20	—	20
Net loss	—	—	—	—	—	(3,798)	(3,798)
Balances at December 31, 2008	—	—	4,762,266	5	58	(6,566)	(6,503)
Issuance of Common Stock to non-employees for services	—	—	5,000	—	—	—	—
Stock-based compensation expense	—	—	—	—	39	—	39
Contribution of services by stockholder	—	—	—	—	40	—	40
Net loss	—	—	—	—	—	(3,666)	(3,666)
Balances at December 31, 2009	—	—	4,767,266	5	137	(10,232)	(10,090)
Issuance of Convertible Preferred Stock Series A for cash	2,584,166	21,681	—	—	—	—	—
Issuance of Convertible Preferred Stock Series A upon conversion of debt and accrued interest	1,773,719	10,508	—	—	—	—	—
Costs related to issuance of Series A Convertible Preferred Stock, including the fair value of Common Stock warrants	—	(2,912)	—	—	621	—	621
Reclassification of warrant liability at fair value	—	—	—	—	234	—	234
Change in fair value of embedded conversion feature related to the Related Party Notes and Senior Convertible Notes	—	—	—	—	831	—	831
Issuance of Common Stock to non-employees for services	—	—	23,836	—	82	—	82
Issuance of Common Stock warrants to non-employees for services	—	—	—	—	38	—	38
Stock-based compensation expense	—	—	—	—	2,329	—	2,329
Contribution of services by stockholder	—	—	—	—	40	—	40
Net loss	—	—	—	—	—	(9,982)	(9,982)
Balances at December 31, 2010	4,357,885	$29,277	4,791,102	$ 5	$ 4,312	$ (20,214)	$ (15,897)

The accompanying notes are an integral part of these consolidated financial statements.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Consolidated Statements of Cash Flows
($ in thousands)

	For the Year Ended December 31,			Period from June 28, 2006 (Date of Inception) to December 31, 2010
	2010	2009	2008	
Cash flows from operating activities:				
Net loss	$ (9,982)	$(3,666)	$(3,798)	(20,214)
Adjustments to reconcile net loss to net cash used in operating activities:				
Stock-based compensation expense	2,329	39	25	2,405
Noncash interest	236	493	302	1,031
Noncash interest – related parties	34	101	105	286
Contribution of services by stockholder	40	40	20	100
Issuance of Common Stock to non-employee for services	82	—	—	83
Change in fair value of common stock warrant liability	234	—	—	234
Change in fair value of embedded conversion feature	831	—	—	831
Issuance of Common Stock warrants to non-employee for services	38	—	—	38
Amortization of deferred financing costs	157	415	166	737
Depreciation expense	6	5	5	19
Changes in operating assets and liabilities:				
Other current assets	(51)	203	(119)	(55)
Interest payable – related parties	(38)	38	—	—
Accounts payable and accrued expenses-related parties	46	—	—	46
Accounts payable and accrued expenses	361	(19)	(229)	1,513
Net cash used in operating activities	(5,677)	(2,351)	(3,523)	(12,946)
Cash flows from investing activities:				
Purchase of computer equipment	(13)	(2)	—	(41)
Net cash used in investing activities	(13)	(2)	—	(41)
Cash flows from financing activities:				
Proceeds from PCP notes payable – related party	—	570	—	570
Payment of PCP notes payable – related party	(570)	—	—	(570)
Proceeds from notes payable – related parties	302	90	316	2,221
Proceeds from issuance of Convertible Preferred Stock Series A	21,681	—	—	21,681
Payment of costs related to the issuance of Convertible Preferred Stock Series A	(2,291)	—	—	(2,291)
Proceeds from borrowings under line of credit	—	40	40	80
Payment of line of credit	(80)	—	—	(80)
Proceeds from Senior Convertible Notes	—	3,500	4,070	7,570
Payment of debt issue costs	—	(344)	(381)	(737)
Payment of notes payable – related parties	—	—	(600)	(600)
Proceeds from issuance of Common Stock	—	—	—	5
Net cash provided by financing activities	19,042	3,856	3,445	27,849
Increase / (decrease) in cash and cash equivalents	13,352	1,503	(78)	14,862
Cash and cash equivalents – beginning of period	1,510	7	85	—
Cash and cash equivalents – end of period	$14,862	$ 1,510	$ 7	$ 14,862
Supplemental disclosure of cash flow information:				
Cash paid for interest	$ 81	$ 7	$ —	$ 88
Supplemental disclosure of non-cash financing and investing activities:				
Issuance of Common Stock warrants related to the Convertible Preferred Stock Series A financing	$ 621	$ —	$ —	$ 621
Conversion of Senior Convertible Notes into Convertible Preferred Stock Series A	8,601	—	—	8,601
Conversion of notes payable – related parties into Convertible Preferred Stock Series A	1,907	—	—	1,907

The accompanying notes are an integral part of these consolidated financial statements.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

1. Organization and Description of Business

Coronado Biosciences, Inc. (the "Company"), incorporated in Delaware on June 28, 2006 (date of inception), is a development-stage biopharmaceutical company focused on novel immunotherapy agents for the treatment of autoimmune diseases and cancer.

Development-Stage Risks and Liquidity

The Company is a development-stage enterprise. Activities to date include development of key compounds, establishing pre-commercial relationships, hiring qualified personnel and raising capital to fund operations. We continue to report as a development stage enterprise since planned principal operations have not yet commenced. Since inception, no revenue has been recognized and the Company has incurred net losses and negative cash flows from operations.

The Company has incurred losses and experienced negative operating cash flows since inception and has an accumulated deficit during the development stage of $20.2 million as of December 31, 2010. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant sales of its product candidates. To date, the Company's operations have been funded primarily by issuing equity securities and debt. During 2010, the Company issued 4,357,885 shares of Series A Convertible Preferred Stock resulting in gross proceeds to the Company of $21.7 million (see Note 11). All debt securities have either been repaid or converted into shares of Series A Convertible Preferred Stock as of December 31, 2010. Between May 2011 and July 2011, the Company issued 4,612,624 shares of Series C Convertible Preferred Stock resulting in net proceeds to the Company of approximately $22.8 million (see Note 17). Management believes that cash and cash equivalents on hand, including cash raised in the Series C Preferred Stock financing (see Note 17) are sufficient to sustain operations through 2012 based on its existing business plan and given the ability to control the timing of significant expense commitments.

The Company expects to incur substantial expenditures in the foreseeable future for the research, development and potential commercialization of its product candidates. The Company will require additional financing to develop, obtain regulatory approvals, fund operating losses, and, if deemed appropriate, establish manufacturing, sales and marketing capabilities. The Company will seek funds through public or private equity or debt financings, collaborative or other arrangements with corporate sources, or through other sources of financing. Adequate additional funding may not be available to the Company on acceptable terms or at all. The Company's failure to raise capital as and when needed could have a negative impact on its financial condition and its ability to pursue its business strategies. If adequate funds are not available to the Company, the Company may be required to delay, reduce or eliminate research and development programs, reduce or eliminate commercialization efforts and pursue merger or acquisition strategies.

Operations of the Company are subject to certain risks and uncertainties, including, among others, uncertainty of product candidate development; technological uncertainty; dependence on collaborative partners; uncertainty regarding patents and proprietary rights; regulatory approvals and other comprehensive government regulations; having no commercial manufacturing experience, marketing or sales capability or experience; and dependence on key personnel. Any significant delays in the development or marketing of products could have a material adverse effect on our business and financial results.

The Company sources certain critical components from single source suppliers. If the Company is required to purchase these components from an alternative source, it could adversely affect development of the Company's product candidates.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Company's consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP"). The Company's consolidated financial statements include the accounts of the Company and its 100% owned subsidiary, Innmune Limited. All intercompany balances and transactions have been eliminated.

Use of Estimates

The Company's consolidated financial statements include certain amounts that are based on management's best estimates and judgments. The Company's significant estimates include, but are not limited to, useful lives assigned to long-lived assets, the valuation of Common and Preferred Stock, Common Stock warrants, stock options, accrued expenses, provisions for income taxes and contingencies. Due to the uncertainly inherent in such estimates, actual results may differ from our estimates.

Segment Reporting

The Company operates as one segment, in which management uses one measure of profitability, and all of the Company's assets are located in the United States of America. The Company is managed and operated as one business. The entire business is managed by a single management team that reports to the chief executive officer. The Company does not operate separate lines of business or separate business entities with respect to any of its product candidates. Accordingly, the Company does not have separately reportable segments.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and certain highly liquid investments with original maturities of less than three months. The Company maintains balances at financial institutions which may exceed Federal Deposit Insurance Corporation insured limits.

Computer Equipment

Computer equipment is stated at cost less accumulated depreciation. The estimated useful life of computer equipment is five years.

Deferred Financing Costs

Financing costs incurred in connection with the Company's Senior Convertible Notes, PCP Notes and Related Party Notes were capitalized at the inception of the notes and amortized over the appropriate expected life based on the terms of the respective note. Financing costs incurred in connection with the Company's Series A Convertible Preferred Stock offering were recorded as a reduction to its carrying value.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability is measured by comparison of the carrying amount to the future net cash flows which the assets are expected to generate. If

such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the asset. There have been no such impairments of long-lived assets to date.

Research and Development

Research and development costs are expensed as incurred. Advance payments for goods and services that will be used in future research and development activities are expensed when the activity has been performed or when the goods have been received rather than when the payment is made. Upfront and milestone payments due to third parties that perform research and development services on the Company's behalf will be expensed as services are rendered or when the milestone is achieved. Costs incurred in obtaining technology licenses are charged to research and development expense if the technology licensed has not reached technological feasibility and has no alternative future use.

Research and development costs primarily consist of personnel related expenses, including salaries, benefits, travel, and other related expenses, stock-based compensation, payments made to third party contract research organizations for preclinical studies, investigative sites for clinical trials, consultants, costs associated with regulatory filings and patents, laboratory costs and other supplies.

Government Grant

The Company received a grant under the Therapeutic Discovery Project in 2010 for a total of $733,000. The Company accounted for this government grant as other income in the consolidated statement of operations.

Contingencies

The Company records accruals for contingencies and legal proceedings expected to be incurred in connection with a loss contingency when it is probable that a liability has been incurred and the amount can be reasonably estimated.

If a loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Stock-Based Compensation

The Company expenses stock-based compensation to employees over the requisite service period based on the estimated grant-date fair value of the awards and considering estimated forfeiture rates. For stock-based compensation awards to nonemployees, the Company remeasures the fair value of the nonemployee awards at each reporting period prior to vesting and finally at the vesting date of the award. Changes in the estimated fair value of these nonemployee awards are recognized as compensation expense in the period of change.

Determining the appropriate fair value of stock-based awards requires the use of subjective assumptions. In the absence of a public trading market of the Company's Common Stock, the Company commenced periodic contemporaneous assessments of the valuation of the Company's Common Stock. These valuations were performed concurrently with the achievement of significant milestones or with major financing. The Company considered numerous objective and subjective factors, including but not limited to the following factors:

- Arms length private transactions involving the Company's Convertible Preferred Stock;
- Financial and operating performance;

- Market conditions;
- Developmental milestones achieved;
- Business risks; and
- Management and board experience.

The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, stock-based compensation expense could be materially different for future awards.

Income Taxes

The Company records income taxes using the asset and liability method. Deferred income tax assets and liabilities are recognized for the future tax effects attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax bases, and operating loss and tax credit carryforwards. The Company establishes a valuation allowance if it is more likely than not that the deferred tax assets will not be recovered based on an evaluation of objective verifiable evidence. For tax positions that are more likely than not of being sustained upon audit, the Company recognizes the largest amount of the benefit that is greater than 50% likely of being realized. For tax positions that are not more likely than not of being sustained upon audit, the Company does not recognize any portion of the benefit.

Comprehensive Loss

The Company's comprehensive loss is equal to its net loss.

Recently Issued Accounting Standards

In June 2011, the Financial Accounting Standards Board ("FASB") issued ASU 2011-05 *Presentation of Comprehensive Income* which requires changes in stockholders equity be presented either in a single continuous statement of comprehensive income or in two separate statements. The amendment is effective for periods beginning after December 15, 2011.

In June 2011, the FASB issued ASU 2011-04 *Amendments to achieve common fair value measurement and disclosure requirements in US GAAP and IFRS*. This amendment changes wording used to describe many of the requirements in US GAAP for measuring fair value and disclosing information at fair value. The amendment is effective for periods beginning after December 15, 2011.

3. Net Loss Per Common Share

The Company calculates earnings loss per share using the two-class method, which is an earnings allocation formula that determines earnings per share for Common Stock and participating securities according to dividends declared and non-forfeitable participation rights in undistributed earnings. Under this method, all earnings (distributed and undistributed) are allocated to common shares and participating securities based on their respective rights to receive dividends. Holders of the Series A Convertible Preferred Stock are entitled to a dividend equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock. Additionally, holders of restricted Common Stock are entitled to all cash

dividends, when declared, and such dividends are non-forfeitable. The participating securities do not have a contractual obligation to share in any losses of the Company. As a result, net losses are not allocated to the participating securities for any of the periods presented.

Basic net loss per share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for Common Stock equivalents. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares and common share equivalents outstanding for the period. For purposes of this calculation, Common Stock equivalents are only included in the calculation of diluted net loss per share when the effect is dilutive.

A calculation of basic and diluted net loss per share follows:

($ in thousands except per share amounts)	For the Year Ended December 31,		
	2010	2009	2008
Historical net loss per share:			
Numerator			
Net loss attributed to common stockholders	$ (9,982)	$ (3,666)	$ (3,798)
Denominator			
Weighted-average common shares outstanding –			
Denominator for basic and diluted net loss per share	4,453,786	3,612,769	2,731,212
Basic and diluted net loss per share attributed to common stockholders	$ (2.24)	$ (1.01)	$ (1.39)

The Company's potential dilutive securities which include convertible debt, convertible preferred stock, unvested restricted stock, stock options, and warrants have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average Common Stock outstanding used to calculate both basic and diluted net loss per share are the same.

The following shares of potentially dilutive securities have been excluded from the computations of diluted weighted average shares outstanding as the effect of including such securities would be antidilutive:

	As of December 31,		
	2010	2009	2008
Series A Convertible Preferred Stock	2,601,812	—	—
Unvested restricted Common Stock	327,385	1,151,997	2,031,054
Warrants to purchase Common Stock	143,637	—	—
Senior Convertible Note warrants	90,226	63,963	40,085
PCP note warrants	27,175	21,871	—
Option to purchase Common Stock	292,747	—	—
	3,482,982	1,237,831	2,071,139

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

4. Computer Equipment

Computer equipment consisted of the following:

($ in thousands)	As of December 31, 2010	2009
Computer equipment	$ 41	$ 28
Less: Accumulated depreciation	(19)	(13)
Computer equipment, net	$ 22	$ 15

Depreciation expense for the years ended December 31, 2010, 2009, and 2008 and the period from inception to December 31, 2010 was $6,000, $5,000, $5,000 and $19,000, respectively, and was recorded as general and administrative expense in the consolidated statement of operations.

5. Accrued Expenses

Accrued expenses consisted of the following:

($ in thousands)	As of December 31, 2010	2009
Salaries, bonuses and related benefits	$ 553	$ 289
Professional fees	309	130
Research and development expenses	143	95
Other	32	11
Total accrued expenses	$1,037	$ 525

For the year ended December 31, 2010, the Company incurred costs related to the termination of certain employees, including wages and other related employment benefits of $225,000, which was recorded as a component of research and development expenses in the consolidated statement of operations. At December 31, 2010, an accrued liability of $210,000 remained for future payments of severance costs and is included in salaries, bonuses and related benefits above.

6. Commitments and Contingencies

Operating Lease Obligations

In October 2010, the Company entered into a three month agreement for office facilities under an operating lease. The agreement contains a recurring renewal clause for a period of three months unless either party provides 60 days' notice.

The Company recognizes rent expense on a straight-line basis over the non-cancellable lease term. Rent expense for the years ended December 31, 2010 and 2009 was $97,000 and $2,000, respectively. The Company did not have any leased facilities prior to 2009.

Indemnification

In accordance with its Certificate of Incorporation and bylaws, the Company has indemnification obligations to its officers and directors for certain events or occurrences, subject to certain limits, while they are serving at the Company's request in such capacity. There have been no claims to date, and the Company has director and officer insurance to address such claims.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

Legal Proceedings

In the ordinary course of business, the Company and its subsidiaries may be subject to both insured and uninsured litigation. Suits and claims may be brought against the Company by customers, suppliers and/or third parties (including tort claims for personal injury and property damage) alleging deficiencies in performance, breach of contract, etc., and seeking resulting alleged damages. At December 31, 2010 and 2009, no claims have been brought by and against the Company and its subsidiary.

7. Employee Benefit Plans

On January 1, 2008, the Company adopted a defined contribution (401k) plan which allows employees to contribute up to a percentage of their compensation, subject to IRS limitations and provides for a discretionary Company match up to a maximum of 4% of employee compensation. As of December 31, 2010 the Company has elected not to pay discretionary matching contributions.

8. Fair Value Measurement

The Company follows accounting guidance on fair value measurements for financial assets and liabilities measured on a recurring basis. Under the accounting guidance, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

The accounting guidance requires fair value measurements be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, for similar assets or liabilities that are directly or indirectly observable in the marketplace.

Level 3: Unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The Company valued its warrant liabilities using a binomial option pricing model (see Note 13).

The Company's only financial instrument that was measured at fair value as of December 31, 2009 was its related party notes of $1.3 million and was determined to be a level 3 liability within the fair value hierarchy. There were no assets or liabilities that were required to be measured at fair value as of December 31, 2010.

Some of the Company's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature, such as cash and cash equivalents, prepaid expenses, other current assets, other long-term assets, accounts payable, accrued

expenses and other current liabilities. The carrying amount of the Company's debt obligations approximate fair value based on the short term duration and interest rates available on similar borrowings.

9. Related Party Transactions

Services Agreement

In November 2006, the Company entered into a consulting contract with Paramount BioSciences, LLC, ("PBS") an affiliate of a significant stockholder and director of the Company, under which PBS provided certain drug development, professional, administrative and accounting services. Total fees for the period from inception to December 31, 2010 were $550,000.

Placement Agent

Paramount BioCapital, Inc. ("PBC"), an affiliate of a significant stockholder and director of the Company, acted as placement agent for the private placement of the Company's Senior Convertible Notes, PCP Notes, and Series A Convertible Preferred Stock (see Notes 11 and 12). For the services rendered, PBC received cash payment for commissions and reimbursement of expenses as well as warrants to purchase common shares (see Notes 11 and 14).

Other Related Parties

One of the Company's principal stockholders and a director of the Company who is also director and chairman, chief executive officer and a significant stockholder of PBS and PBC, beneficially owns approximately 25.7% of the Company's issued and outstanding capital stock. In addition, certain trusts established for the benefit of this principal stockholder and director's family members beneficially own an aggregate of approximately 11.9% of the Company's outstanding capital stock.

A non-employee director and one of the Company's previous officers are or were employees of PBS.

See Note 10 for related party debt instruments and Note 13 for related party warrant issuances.

10. Debt

Total outstanding debt consisted of the following:

($ in thousands)	As of December 31,	
	2010	2009
Related party notes	$—	$ 1,319
PCP notes	—	570
Senior Convertible Notes	—	7,570
Line of credit facility	—	80
Total outstanding debt	—	9,539
Less: current portion	—	(8,969)
Total long-term debt	$—	$ 570

During 2010, the PCP Notes and the Line of credit facility were repaid and all other debt was converted to Series A Convertible Preferred Stock.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

Related Party Notes

The Company issued a series of 8% promissory notes to related parties for expenses paid on behalf of the Company as well as advances made directly to the Company (collectively, the "Related Party Notes"). On June 28, 2006, the Company issued a four-year promissory note payable to PBS (the "PBS Note"). PBS is a related party given common ownership by the Company's largest shareholder and director. On July 30, 2007 and January 17, 2008, the Company issued three-year promissory notes which were payable to trusts established for the benefit of the family of the sole member of PBS and one of the Company's largest shareholders and a director (the "First Trust Note" and "Second Trust Note").

The Related Party Notes mature and were payable on the respective stated maturity date or upon the occurrence of certain events defined in the agreement. Certain events include either the consummation of an equity financing in which gross proceeds to the Company equal or exceed 250% of the outstanding principal amount, an initial public offering or a sale of the Company. On September 4, 2008, the Company amended the Related Party Notes to provide that all unpaid principal and accrued interest shall be automatically converted into the Company's Common Stock upon the initial closing of a private placement of the Company's Common Stock at a conversion price equal to 100% of the lowest price paid by investors of the offering. On July 7, 2009, the Company amended the Related Party Notes to change the maturity date to February 20, 2010 and provide that all unpaid principal and accrued interest shall be automatically converted upon the occurrence of one of the following events:

(1) Qualified Financing

All unpaid principal and unpaid accrued interest on the Related Party Notes shall be automatically converted into the Company's equity securities issued in the Company's next equity financing (or series of related equity financings) greater than $10 million at a conversion price equal to 75% of the lowest price per unit paid for such securities in cash by investors in such qualified financing.

(2) Reverse Merger

If the reverse merger consideration is greater than or equal to $10 million, all unpaid principal and unpaid accrued interest on the Related Party Notes shall be automatically converted into the Common Stock at a conversion price per share equal to 75% times (i) reverse merger consideration minus principal amount under Senior Convertible Notes and Related Party Notes divided by (ii) number of outstanding shares (fully diluted common shares excluding warrants).

(3) Sale of the Company

Lesser of:

- 75% of the value of sales proceeds received in such transaction less the unpaid principal amount under Senior Convertible Notes and Related Party Notes divided by the number of outstanding shares (fully diluted excluding options and warrants with exercise price in excess of Related Party Notes conversion price)
- $50M divided by the number of outstanding shares (fully diluted excluding options and warrants with exercise price in excess of Related Party Notes conversion price).

On February 5, 2010, the Company amended the Related Party Notes to extend the maturity date to September 30, 2010 and change the conversion price factor for the above events from 75% to 70%.

The 2008 and 2009 Related Party Notes amendments were treated as extinguishments and the loss on extinguishment, which was not material, was recorded in additional paid-in capital. The 2010 Related Party Notes amendment was accounted for as a modification and the change in the fair value of the conversion feature, in the amount of $0.1 million, was recorded as a debt discount. The debt discount was amortized to interest expense in the consolidated statement of operations over the remaining term of the Related Party Notes.

On April 26, 2010, the Company completed a qualified equity financing and principal and accrued interest totaling $1.6 million automatically converted into 273,046 shares of Series A Convertible Preferred Stock at a per share price of $5.87.

In addition, under the PBS Note, all principal borrowed and interest accrued subsequent to January 20, 2010 totaling $0.3 million was converted into 36,194 shares of Series A Convertible Preferred Stock at a per share price of $8.39.

Paramount Credit Partners, LLC ("PCP") Promissory Notes (the "PCP Notes")

On January 22, 2009, May 28, 2009, and June 24, 2009, the Company issued 10% promissory notes to PCP for aggregate gross proceeds of $570,000. PCP is a related party due to common ownership by one of the Company's largest shareholders and director. All unpaid principal and accrued interest outstanding under the PCP Notes were payable on December 31, 2013 or earlier if certain events occur. Certain events include either the consummation of an equity financing in which gross proceeds to the Company equal or exceed 250% of the outstanding principal amount or a reverse merger or sale of the Company.

On September 29, 2010, the outstanding principal and accrued interest totaling $0.6 million was repaid in cash.

In conjunction with entering into the PCP Notes, the Company issued warrants to purchase shares of Common Stock (see Note 13). A portion of the proceeds was allocated to the fair value of the warrants and recorded as a debt discount. The debt discount was not material and was amortized to interest expense in the consolidated statement of operations over the term of the PCP Notes.

PBC received cash commissions equal to 2% of the gross proceeds of the PCP Notes and expense reimbursements as compensation for its services as the placement agent. These costs were capitalized as deferred financing fees and are amortized to interest expense in the consolidated statement of operations over the term of the PCP Notes.

Senior Convertible Notes

In February 2008, March 2008 and April 2008, the Company issued 8% convertible promissory notes for cash proceeds of $4.1 million (the "2008 Senior Convertible Notes") that are secured by a first priority security interest in all of the Company's assets. The 2008 Senior Convertible Notes were due on February 20, 2009. The 2008 Senior Convertible Notes included a Company option to extend maturity for one year until February 20, 2010 during which time the interest rate would increase to 10%. In February 2009, the Company exercised its option to extend the term of the 2008 Senior Convertible Notes.

In July 2009, August 2009, and September 2009 the Company issued 8% convertible promissory notes for cash proceeds of $3.5 million (the "2009 Senior Convertible Notes") that are secured by a first priority security interest in all of the Company's assets. The 2009 Senior Convertible Notes were due on February 20, 2010.

Additionally, the 2008 Senior Convertible Notes and the 2009 Senior Convertible Notes (collectively, "Senior Convertible Notes") provided that all unpaid principal and accrued interest were convertible into the Company's equity securities upon the occurrence of one of the following events:

(1) Qualified Financing

The Senior Convertible Notes shall be automatically converted into the Company's equity securities issued in the Company's next equity financing (or series of related equity financings) greater than $10 million at a conversion price equal to 75% of the lowest price per unit paid for such securities in cash by investors in such qualified financing.

(2) Reverse Merger

If the reverse merger consideration is greater than or equal to $10 million, the Senior Convertible Notes shall be automatically converted into the Common Stock at a conversion price per share equal to 75% times (i) reverse merger consideration minus principal amount under Senior Convertible Notes and Related Party Notes divided by (ii) number of outstanding shares (fully diluted common shares excluding warrants).

(3) Sale of the Company

Lesser of:

- 75% of the value of sales proceeds received in such transaction less the unpaid principal amount under Senior Convertible Notes and Related Party Notes divided by the number of outstanding shares (fully diluted excluding options and warrants with exercise price in excess of Senior Convertible of Notes conversion price)
- $50M divided by the number of outstanding shares (fully diluted excluding options and warrants with exercise price in excess of Senior Convertible Note conversion price).

As a result of the term extension and increased interest rate provision related to the 2008 Senior Convertible Notes, the Company recorded interest expense using the effective interest method based on the estimated life of two years.

On February 5, 2010, the Company amended the Senior Convertible Notes to extend the maturity date to September 30, 2010 and modify the conversion price factor for the above events from 75% to 70%. The amendment was accounted for as a modification and the change in the fair value of the conversion feature, in the amount of $0.7 million, was recorded as a debt discount. The debt discount was amortized to interest expense in the consolidated statement of operations over the remaining term of the Senior Convertible Notes.

The Company also provided the Senior Convertible Note holders a repayment premium of 42.9% of the aggregate principal plus accrued interest in the event the Senior Convertible Notes did not automatically convert prior to September 30, 2010. This premium was bifurcated from the debt and is reflected as a separate liability. The initial fair value and subsequent changes in fair value were recognized as interest expense in the consolidated statement of operations.

On April 26, 2010, the Company completed a qualifying financing and principal and accrued interest totaling $8.6 million automatically converted into 1,464,479 shares of Series A Convertible Preferred Stock at a per share price of $5.87. In addition, the liability of $0.6 million related to the repayment premium was reversed to interest expense upon the conversion of the Senior Convertible Notes to Series A Preferred Stock.

PBC was entitled to receive commissions equal to 7% of the gross proceeds of the Senior Convertible Notes, expense reimbursements, and warrants to purchase Common Stock (as defined in Note 13) as compensation for its services as the placement agent for the Senior Convertible Notes. These issuance costs of $0.7 million were capitalized as deferred financing costs and were amortized to interest expense in the consolidated statements of operations over the estimated life of the Senior Convertible Notes. For the years ended December 31, 2010, 2009 and 2008, amortization of deferred financing costs was $0.2 million, $0.4 million and $0.2 million, respectively.

Line of Credit Facility

In December 2008, the Company, PBS and certain affiliates of PBS jointly entered into a revolving line of credit agreement with an unrelated financial institution. The line of credit is secured by collateral pledged by PBS. As of December 31, 2009, the Company had borrowings outstanding of $80,000. The line of credit was repaid in full and closed during 2010.

Interest expense includes the following:

($ in thousands)	For the Years Ended December 31,			Period from June 28, 2006 (Date of Inception) to
	2010	2009	2008	
Interest expense	$ 237	$ 493	$ 302	$ 1,032
Interest expense – related parties	76	145	105	374
Amortization of embedded conversion feature	831	—	—	831
Change in fair value of common stock warrant liability	234	—	—	234
Amortization of deferred financing fees	157	415	166	737
Total interest expense	$ 1,535	$ 1,053	$ 573	$ 3,208

11. Preferred Stock

The Company's Certificate of Incorporation, as amended, authorizes the Company to issue 15,000,000 shares of $0.001 par value Preferred Stock. As of December 31, 2010, there were 4,357,885 shares of Series A Convertible Preferred Stock outstanding. There was no Preferred Stock issued or outstanding as of December 31, 2009.

The terms, rights, preference and privileges of the Company's Series A Convertible Preferred Stock are as follows:

Voting Rights

Holder of Series A Convertible Preferred Stock vote together with the Common Stock on all matters, on an as-converted to Common Stock basis, and not as a separate class or series (except as otherwise may be required by applicable law). There is no cumulative voting.

Liquidation

In the case of a liquidation event, including a sale, merger or winding up of the Company, the holders of Series A Convertible Preferred Stock shall be entitled to receive $12.59 per share (representing 150% of the original issuance price), out of the proceeds of such liquidation, in preference to the holders of Common Stock.

Conversion

Each share of Series A Convertible Preferred Stock will be voluntarily convertible into one share of Common Stock at the election of the holder. Additionally, each share of Series A Convertible Preferred Stock will automatically convert into one share of Common Stock upon the earlier of the following:

(1) April 26, 2012 or

(2) if the Company's capital stock becomes publicly traded, then the date upon which such capital stock has a publicly traded value of $12.59 or more per share, as adjusted for any stock splits, stock exchanges, recapitalizations, dividends and the like (such date, the "Valuation Milestone Date"). The Valuation Milestone Date shall be deemed to have occurred: (i) on the date which the Company's capital stock first becomes publicly traded, if such capital stock has an initial quoted value greater than or equal to $12.59 per share, or (ii) the date that is the twentieth (20th) consecutive or non-consecutive trading day where the volume-weighted average price for the Company's capital stock as reported by Bloomberg Financial L.P. is greater than or equal to $12.59 per share, in each case as adjusted for any stock splits, stock exchanges, recapitalizations and dividends as determined by the Company's board of directors in its reasonable discretion.

As discussed in Note 17, in May 2011 the conversion feature was amended such that the Series A Convertible Preferred Stock will automatically convert to Common Stock on the effective date of the issuance of a registration statement.

Dividends

Dividends are payable when and if declared by the Board of Directors. There are no cumulative accruing dividend rights.

If the Series A Convertible Preferred Stock is automatically converted into Common Stock on April 26, 2012, the holders of Series A Convertible Preferred Stock shall, immediately prior to such automatic conversion, receive a special dividend per share (the "Special Dividend") payable in cash and/or shares of the Company's Common Stock, as determined at the election of, and in the sole discretion of, the Company's board of directors, and only to the extent that such Special Dividend is legally payable by the Company. The value of any shares of the Company's Common Stock issued in payment of the Special Dividend shall be determined in the reasonable, good-faith discretion of the Company's board of directors at the time of payment.

The Special Dividend per share of Series A Convertible Preferred Stock will be paid in cash or in shares of common stock equal to 50% of the offering price, or $4.20.

Fully Paid and Nonassessable

All of our outstanding shares of Series A Convertible Preferred Stock are fully paid and nonassessable.

In addition, under the Company's Certificate of Incorporation, the board of directors has the authority, without further action by the stockholders, to issue up to an additional 5,000,000 shares of Preferred Stock in one or more series, to establish from time to time the number of shares to be included in each such series, to fix the rights, preferences and privileges of the shares of each unissued series and any qualifications, limitations or restrictions thereon, and to increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding. The Company's board of directors may

authorize the issuance of additional Preferred Stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of the Common Stock or Series A Convertible Preferred Stock.

The Series A Convertible Preferred Stock is redeemable upon a liquidation event, including liquidation, winding up, and dissolution of the Company. Additionally, the preferred holders would be entitled to receive cash in the event of an acquisition, including a merger or consolidation or asset transfer. Certain of these events would not be considered solely within the Company's control. As a result, the Series A Convertible Preferred Stock has been classified as mezzanine equity in the consolidated balance sheet.

During 2010, the Company issued 2,584,166 shares of its Series A Convertible Preferred Stock to investors for cash at a price of $8.39 per share for total gross proceeds of $21.7 million. As part of the issuance, PBC received $2.1 million in commissions which were recorded as a reduction of the Series A Convertible Preferred Stock on the consolidated balance sheet. On April 26, 2010, holders of the Company's Senior Convertible Notes and Related Party Notes converted outstanding principle and accrued interest totaling $10.5 million into 1,773,719 shares of the Company's Series A Convertible Preferred Stock.

12. Common Stock

The Company's Certificate of Incorporation, as amended, authorizes the Company to issue 50,000,000 shares of $0.001 par value Common Stock. As of December 31, 2010, there were 4,791,102 shares of Common Stock outstanding.

The terms, rights, preference and privileges of the Company's Common Stock are as follows:

Voting Rights

Each holder of Common Stock is entitled to one vote for each share of Common Stock held on all matters submitted to a vote of the stockholders, including the election of directors. The Company's Certificate of Incorporation and Bylaws do not provide for cumulative voting rights.

Dividends

Subject to preferences that may be applicable to any then outstanding Preferred Stock, the holders of the Company's outstanding shares of Common Stock are entitled to receive dividends, if any, as may be declared from time to time by the Company's board of directors out of legally available funds.

Liquidation

In the event of the Company's liquidation, dissolution or winding up, holders of Common Stock will be entitled to share ratably in the net assets legally available for distribution to stockholders after the payment of all of the Company's debts and other liabilities, subject to the satisfaction of any liquidation preference granted to the holders of any outstanding shares of Preferred Stock.

Rights and Preference

Holders of the Company's Common Stock have no preemptive, conversion or subscription rights, and there are no redemption or sinking fund provisions applicable to our Common Stock. The rights, preferences and privileges of the holders of Common Stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of the Company's Preferred Stock that are or may be issued.

Fully Paid and Nonassessable

All of the Company's outstanding shares of Common Stock are fully paid and nonassessable.

On June 1, 2007, the Company issued the following shares of Common Stock:

- 2,125,096 shares of fully vested Common Stock to its founders at par value of $0.001.
- 457,170 shares of restricted Common Stock were granted to certain employees of the Company under the Company's 2007 Equity Compensation Plan, for payment of par value (see Note 15). The shares vest annually in equal amounts over three years and the fair value of the awards was determined and fixed on the grant date. Compensation expense is recorded on a straight-line basis over the vesting period.
- 2,180,000 shares of restricted Common Stock were issued to certain employees of PBS at par value of $0.001 that vest annually in equal amounts over three years (see Note 15). PBS provides various services to the Company. The fair value of the awards was determined on the grant date and the unvested awards were remeasured each reporting period. Compensation expense is recorded on a straight-line basis over the vesting period.

Compensation expense related to the restricted Common Stock for the years ended December 31, 2010, 2009, and 2008 and the period from inception to December 31, 2010 was $2.0 million, $39,000, $25,000, and $2.1 million, respectively, and was recorded as research and development expense in the consolidated statements of operations. All shares were fully vested as of December 31, 2010.

In 2009, the Company issued 5,000 shares of fully vested Common Stock for compensation of past services performed by a non-employee. The fair value of the shares, which was not material, was recorded as research and development expense in the consolidated statements of operations on the grant date.

In 2010, the Company issued 23,836 shares of fully vested Common Stock for compensation of past services performed by a non-employee. The fair value of the shares of $82,000 was recorded as research and development expense in the consolidated statements of operations on the grant date.

13. Warrants to Purchase Common Stock

Debt Placement Agent Warrants

In connection with the issuance of the Company's 2008 and 2009 Senior Convertible Notes (see Note 11), the Company issued warrants to purchase shares of the Company's Common Stock to PBC as partial consideration for its services as the placement agent (the "Debt Placement Warrants"). The number of warrants and the exercise price were dependent upon i) the lowest price paid in a qualified financing, ii) consideration received in a sale of the company, or iii) consideration received in a reverse merger. If none of these events occurred before the second anniversary of the issuance date, the Debt Placement Warrants would be exercisable for a number of shares of the Company's Common Stock equal to 10% of the principal amount of the Senior Convertible Notes divided by $1.00, at a per share exercise price of $1.00. The warrants are exercisable for seven years.

The fair value of the warrants was measured on the date of issuance using a binomial option pricing model. The Company determined that the warrants would not be considered indexed to the Company's stock, and therefore, the warrants were initially recorded as a derivative liability in the consolidated balance sheets. For each subsequent period through April 26, 2010, the change in the fair value of the warrants was recognized as interest expense in the consolidated statements of operations. The fair value of the warrants prior to 2010 was not material to the consolidated financial statements.

In connection with the Series A Convertible Preferred offering on April 26, 2010, a qualified financing, both the number of warrants and the exercise price became known. The placement agent received warrants for shares of the Company's Common Stock equal to 10% of the principal amount of the Senior Convertible Notes divided by the lowest price paid for securities in the Series A Convertible Preferred Stock offering, at an exercise price of 110% of the lowest price paid for securities in a qualified financing. Subsequent to the Series A Convertible Preferred Stock offering, PBC holds warrants for an aggregate of 48,510 shares of Common Stock at an exercise price of $9.23 per share with a fair value of $0.1 million related to the 2008 Senior Convertible Notes and warrants for an aggregate of 41,716 shares of Common Stock at an exercise price of $9.23 per share with a fair value of $0.1 million related to the 2009 Senior Convertible Notes. The fair value of the warrants related to the 2008 Senior Convertible Notes was determined using an option pricing model assuming a 95.4% volatility, a 1.7% risk-free rate of interest, a term of 4.8 years and an estimated per share fair value of the Company's Common Stock of $3.45. The fair value of the warrants related to the 2009 Senior Convertible Notes was determined using an option pricing model assuming a 93.4% volatility, a 2.9% risk-free rate of interest, a term of 6.2 years and an estimated per share fair value of the Company's Common Stock of $3.45. In April 2010, the total fair value of the warrants was reclassified from a liability to additional paid-in capital in the consolidated balance sheets.

The initial warrant fair values, which were not material, were recorded as debt issuance costs and amortized over the estimated life of the respective debt (see Note 10).

PCP Warrants

In connection with the issuance of the PCP Notes in 2009 (see Note10), the Company also issued to PCP warrants to purchase shares of the Company's Common Stock (the "PCP Warrants"). The number of warrants and the exercise price were dependent upon i) the lowest price paid in a qualified financing or ii) consideration received in a reverse merger. If none of these events occurred before the second anniversary of the issuance date, the number of the PCP Warrants to purchase shares of the Company's Common Stock would equal 40% of the principal amount of the PCP Notes divided by $1.00, at a per share exercise price of $1.00. The warrants are exercisable for five years.

The fair value of the warrants was measured on the date of issuance using a binomial option pricing model. The Company determined that the warrants would not be considered indexed to the Company's own stock, and therefore, the warrants were initially recorded as a derivative liability in the consolidated balance sheet. For each subsequent period through April 26, 2010, the change in the fair value of the warrants was recognized as interest expense in the consolidated statement of operations. The fair value of the warrants prior to 2010 was not material to the consolidated financial statements.

In connection with the Series A Convertible Preferred Stock offering on April 26, 2010, a qualified financing, both the number of PCP warrants and the exercise price became known. The placement agent received warrants for the number of shares of the Company's Common Stock equal to 40% of the principal amount of the PCP Notes divided by the lowest price paid for securities in the Series A Convertible Preferred Stock offering, at an exercise price of 110% of the lowest price paid for securities in the offering. The Company issued warrants to purchase an aggregate of 27,175 shares of Common Stock at an exercise price of $9.23 per share for a fair value of $47,000. The fair value of the warrants was determined using an option pricing model assuming a 98.3% volatility, an average 2.1% risk-free rate of interest, a term of 3.8 – 4.2 years and an estimated per share fair value of the Company's Common Stock of $3.45. The fair value on April 26, 2010 was reclassified from a liability to additional paid-in capital in the consolidated balance sheets.

The initial warrant fair values, which were not material, were recorded as a discount and were amortized over the estimated life of the related debt (see Note 11).

Preferred Stock Placement Warrants

In connection with the issuance of the Company's Series A Convertible Preferred offerings (see Note 11), the Company issued warrants to purchase an aggregate of 258,418 shares of the Company's Common Stock at an exercise price of $8.39 per share to PBC as partial consideration for its services as the placement agent (the "Preferred Stock Placement Warrants"). The warrants are exercisable for seven years.

The fair value of the warrants was $0.6 million measured on the respective date of issuance and were recorded as a reduction in the carrying value of the Preferred Stock and an increase to additional paid in capital. The fair values were determined using an option pricing model assuming 92.0%-94.4% volatility, a 2.0%-3.3% risk-free rate of interest, a term of seven years and an estimated fair value of the Company's Common Stock of $3.45 per share. The warrants were accounted for as stock issuance costs; and the fair value was recorded as a reduction to the carrying amount of the Series A Convertible Preferred Stock (see Note 12) with a corresponding increase to additional paid-in capital.

Non-Employee Warrants

On November 22, 2010, the Company issued warrants to purchase 41,716 shares of the Company's Common Stock at an exercise price of $9.23 per share to a non-employee for consulting services. The warrants were fully vested on the grant date and are exercisable for five years. The fair value of the warrants on the date of issuance was $38,000 and was determined using an option pricing model assuming 93.7% volatility, a 1.4% risk-free rate of interest, a contractual life of five years and an estimated fair value of the Company's Common Stock of $1.96 per share. The fair value of the warrants was recorded as research and development expense, with a corresponding increase to additional paid in capital, in the consolidated statements of operations on the grant date as no future service was required.

14. Stock-Based Compensation

In 2007, the Company's board of directors adopted and stockholders approved the Coronado Biosciences, Inc. 2007 Stock Incentive Plan (the "Plan") authorizing the Company to grant up to 6,000,000 shares of Common Stock to eligible employees, directors, and consultants in the form of restricted stock, stock options and other types of grants. The amount, terms, and exercisability provisions of grants are determined by the board of directors.

The purpose of the Plan is to provide the Company with the flexibility to use shares, options or other awards based on the Company's Common Stock as part of an overall compensation package to provide performance-based rewards to attract and retain qualified personnel. Management believes that awards under the Plan may serve to broaden the equity participation of key employees and further link the long-term interests of management and stockholders. Such awards include, without limitation, options, stock appreciation rights, sales or bonuses of restricted stock, restricted stock units or dividend equivalent rights, and an award may consist of one such security or benefit, or two or more of them in any combination or alternative. Vesting of awards may be based upon the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions.

There are 6,000,000 shares of Common Stock reserved for issuance under the Plan, of which 3,649,280 were granted and 2,350,720 shares were available for issuance as of December 31, 2010.

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Incentive and nonstatutory stock options are granted pursuant to option agreements adopted by the plan administrator. Options generally have ten-year contractual terms and three-year vesting provisions.

The Company estimates the fair value of stock option grants using a Black-Scholes option pricing model. In applying this model, the Company uses the following assumptions:

- *Risk-Free Interest Rate:* The Company determined the risk-free interest rate by using a weighted average assumption equivalent to the expected term based on the U.S. Treasury constant maturity rate.
- *Expected Volatility:* The Company determined its future stock price volatility based on the average historical stock price volatility of comparable peer companies.
- *Expected Term:* Due to the limited exercise history of the Company's own stock options, the Company determined the expected term based on the stratification of employee groups and the expected effect of events that have indications on future exercise activity.
- *Expected Dividend Rate:* The Company has not paid and does not anticipate paying any dividends in the near future.

On October 5, 2010, the Company granted 790,235 options with an exercise price of $1.37 per share to employees at a fair value of $1.56 per share determined based on the following assumptions: a 92.7% volatility, a 1.52% risk-free rate of interest, an expected term of six years and an estimated fair value of the Company's Common Stock at the time of issuance of $1.96 per share. The fair value of the awards was determined and fixed on the grant date.

On October 5, 2010, the Company granted 437,955 options with an exercise price of $1.37 per share to non-employees at a fair value of $1.77 per share determined based on the following assumptions: 95.2% volatility, a 2.50% risk-free rate of interest, a contractual life of ten years and an estimated fair value of the Company's Common Stock at the time of issuance of $1.96 per share. The fair value of the awards was determined on the grant date and the unvested awards are remeasured each reporting period.

The Company uses public industry peer company's data to estimate volatility. Compensation expense is recorded for awards that are expected to vest, adjusted for actual share forfeitures. Compensation expense is recorded on a straight-line basis over the vesting period.

The following table summarizes the stock-based compensation expense from stock option and restricted Common Stock awards to employees and nonemployees for the years ended December 31, 2010, 2009 and 2008, and from the period June 28, 2006 (Date of Inception) to date:

($ in thousands)	2010	2009	2008	Period from June 28, 2006 (Date of Inception) to December 31, 2010
Employee awards	$ 215	$—	$—	$ 215
Non-employee awards	2,114	39	25	2,190
Total compensation expense	$2,329	$ 39	$ 25	$ 2,405

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The following table summarizes employee stock option activity:

	Outstanding Options			
($ in thousands except per share amounts)	Number of Shares	Weighted Average Exercise Price	Total Weighted Average Intrinsic Value	Weighted Average Remaining Contractual Life (in years)
Outstanding at December 31, 2009	—	$ —		
Options granted	790,235	1.37		
Options exercised	—	—		
Options forfeited	—	—		
Options expired	—	—		
Outstanding at December 31, 2010	790,235	$ 1.37	$ 466	9.8
Options vested and expected to vest	761,787	$ 1.37	$ 449	9.8
Options vested and exercisable	80,000	$ 1.37	$ 47	9.8

The following table summarizes non-employee stock option activity:

	Outstanding Options			
($ in thousands except per share amounts)	Number of Shares	Weighted Average Exercise Price	Total Weighted Average Intrinsic Value	Weighted Average Remaining Contractual Life (in years)
Outstanding at December 31, 2009	—	$ —		
Options granted	437,955	1.37		
Options exercised	—	—		
Options forfeited	(96,080)	1.37		
Options expired	—	—		
Outstanding at December 31, 2010	341,875	$ 1.37	$ 202	8.4
Options vested and expected to vest	329,568	$ 1.37	$ 194	8.4
Options vested and exercisable	48,040	$ 1.37	$ 28	0.3

As of December 31, 2010, the Company had unrecognized stock-based compensation expense related to all unvested stock options of $1.4 million, which is expected to be recognized over the remaining weighted-average vesting period of 2.8 years.

15. License Agreements

CNDO-109

In November 2007, the Company entered into a license agreement with UCL Business PCL (“UCLB”) under which the Company received an exclusive, worldwide license to develop and commercialize CNDO-109 for the treatment of cancer-related and other conditions. In consideration for the license, the Company made upfront payments totaling $0.1 million and may be required to make future milestone payments totaling up to approximately $22 million upon the achievement of various milestones related to regulatory or commercial events. In the event that CNDO-109 is commercialized, the Company is obligated to pay to UCLB annual royalties based upon various levels of net sales of the product. Under the terms of the agreement, the Company must use diligent and reasonable efforts to develop and commercialize CNDO-109 worldwide.

Under the terms of the license agreement, the Company is allowed to grant sublicenses to third parties without the prior approval of UCLB. In the event that the Company sublicenses CNDO-109 to a third party, the Company is obligated to pay to UCLB all or a portion of the royalties the Company receives from the sublicensee.

The agreement terminates upon the expiration of the last licensed patent right, unless the agreement is earlier terminated. Either party may terminate the agreement in the event of material breach by the other party, subject to prior notice and the opportunity to cure, or in the event the other party enters into bankruptcy or is dissolved for any reasons other than in connection with a merger or acquisition. UCLB may terminate the license agreement if the Company, or its affiliates, commence or assist in legal proceedings to challenge the validity or ownership of the patents licensed to the Company under the agreement, or if the Company markets or sells a competing product without UCLB's prior written consent. In addition, the Company may terminate the agreement upon 30 days written notice to UCLB.

CNDO-101

In June 2007, the Company entered into a license agreement with GEM Pharmaceuticals, LLC under which the Company received an exclusive, worldwide license to develop and commercialize a family of anthracycline compounds, including the compound CNDO-101, for the treatment of cancer-related conditions. This agreement was terminated by the Company in November 2010.

BcL-2

In November 2006, the Company entered into a license agreement with the Burnham Institute for Medical Research ("Burnham") and amended this license agreement in November 2007 for the exclusive, worldwide rights to several BcL-2 inhibitor compounds, including BcL-2, for the treatment of cancer and other diseases driven by increases in BcL-2 pro-survival proteins. In consideration for the initial license, the Company paid the Burnham an up-front fee of $50,000 and, in connection with the amendment of the license agreement to add additional compounds discovered under the terms of our sponsored research arrangement with the Burnham, to the scope of our license grant, the Company made an additional payment of $25,000 to the Burnham. In February 2011, the Company provided Burnham with written notice which terminated the licenses on May 10, 2011.

16. Income Taxes

The Company has incurred net operating losses since inception. The Company has not reflected any benefit of such net operating loss carryforwards in the accompanying consolidated financial statements and has established a full valuation allowance against its deferred tax assets.

Deferred income taxes reflect the net tax effects of (a) temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes, and (b) operating losses and tax credit carryforwards.

The significant components of the Company's deferred tax assets consisted of the following:

($ in thousands)	As of December 31,	
	2010	2009
Deferred tax assets:		
Net operating loss carryforwards	$ 6,308	$ 3,122
Amortization of up-front fees	47	168
Stock compensation	60	9
Accruals and reserves	234	280
Total deferred tax assets	6,649	3,579
Valuation allowance	(6,649)	(3,579)
Net deferred tax assets	$ —	$ —

A reconciliation of the statutory tax rates and the effective tax rates is as:

	For the Year Ended December 31,		
	2010	2009	2008
Percentage of pre-tax income			
U.S. federal statutory income tax rate	35%	35%	35%
Debt modification costs	-3%	0%	0%
Other	-1%	0%	0%
Change in valuation allowance	-31%	-35%	-35%
Effective income tax rate	0%	0%	0%

Realization of the future tax benefits is dependent on the Company's ability to generate sufficient taxable income within the carryforward period. Due to the Company's recent history of operating losses, management believes that the deferred tax assets arising from the above-mentioned future tax benefits are currently not likely to be realized and, accordingly, has provided a full valuation allowance.

As of December 31, 2010, the Company had $6.3 million of federal net operating losses which expire beginning in 2024. Utilization of the net operating loss carryforwards and credits may be subject to a substantial annual limitation due to the ownership change limitations provided by the Internal Revenue Code of 1986, as amended, or the IRC, and similar state provisions. The Company has not performed a detailed analysis to determine whether an ownership change under Section 382 of the IRC has occurred. The effect of an ownership change would be the imposition of an annual limitation on the use of net operating loss carryforwards attributable to periods before the change.

As of December 31, 2010, the Company had no unrecognized tax benefits and does not anticipate any significant change to the unrecognized tax benefit balance as of December 31, 2010. The Company would classify interest and penalties related to uncertain tax positions in income tax expense, if applicable. There was no interest expense or penalties related to unrecognized tax benefits recorded through December 31, 2010. The tax years 2006 through 2010 remain open to examination by one or more major taxing jurisdictions to which the Company is subject.

17. Subsequent Events

In preparing the consolidated financial statements, in accordance with current accounting guidance, the Company has reviewed events that have occurred after December 31, 2010, through the date of issuance of the financial statements on July 15, 2011. During this period, the Company did not have any material subsequent events other than the events disclosed.

Coronado Biosciences, Inc. and Subsidiary
(a development stage enterprise)
Notes to the Consolidated Financial Statements

CNDO-201 sublicense

On January 7, 2011 (the "Closing Date") the Company purchased a sublicense and related agreements to an early-stage development asset and assumed certain liabilities from Asphelia Pharmaceuticals, Inc.("Ashphelia"), an affiliate of PBC. In exchange for the asset, the Company issued 2,525,677 shares of our Series B Convertible Preferred Stock at a stated value of $5.59 per share, assumed promissory notes of $750,000 due to Paramount Credit Partners, LLC and paid cash of approximately $3.8 million, including a $3.4 million payment to OvaMed and $0.4 million for repayment of Asphelia's debt to related parties. Under the terms of the sublicense agreement, the Company is required to make annual license payments to the original licensee, Ovamed GmbH, or directly to the licensor, the University of Iowa Research Foundation, of $250,000. In addition, the Company may be required to make future payments totaling up to $5.45 million upon the achievement of various milestones related to regulatory events for the first product. In the event that the compound is commercialized, the Company is obligated to pay to OvaMed annual royalties of 4% based upon net sales of the product and, if the Company further sublicenses the product, varying percentages of the amounts received by the Company from any such sublicense. We are also a party to a manufacturing and supply agreement with OvaMed, the exclusive supplier of the product.

The transaction was treated as an asset acquisition as it was determined that the assets acquired did not meet the definition of a business. The fair value of the cash, Series B Convertible Preferred Stock and the related debt assumed will be recorded as in-process research and development expense in January 2011.

Equity Issuances

Subsequent to December 31, 2010 and through May 31, 2011, the Company issued 775,000 stock options at an exercise price ranging from $1.37-$1.93 per share.

On May 15, 2011, the Company entered into a definitive agreement with respect to the private placement of 4,612,624 shares of unregistered Series C Convertible Preferred Stock at $5.59 per share to accredited investors. The Company completed the private placement in June 2011 resulting in approximately $22.8 million in net proceeds to the Company. As compensation for services, the Company paid the placement agent of these securities 10% of the gross proceeds and issued to the placement agent warrants to purchase Series C Preferred Stock at $5.59 per share equal to 10% of the aggregate number of shares sold in the offering. Following this Offering, Coronado plans to become a public company by filing a Form 10 registration statement ("Form 10") with U.S. Securities and Exchange Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Coronado has agreed to use its commercially reasonable efforts to file a Form 10 within sixty (60) days following the Final Closing (the "Form 10 Filing Date"). In the event that the Form 10 is not filed by the Form 10 Filing Date, Coronado will incur monthly liquidated damages, payable to investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Shares issued in the Offering until the Form 10 is filed (the "Form 10 Liquidated Damages"), but in no event will the maximum aggregate Form 10 Liquidated Damages payable exceed ten (10%) percent. In connection with the filing of a Form 10, Coronado intends to be quoted on an over-the-counter bulletin board for such period until Coronado has met the NASDAQ or AMEX listing requirements and can then apply to be listed on one of the NASDAQ or AMEX markets. Following the filing of a Form 10, Coronado also plans to file a Form S-1 registration statement (the "Form S-1") covering the resale of all of the common stock issuable upon conversion of the Shares (as well as the shares of common stock underlying the Series A and Series B preferred shares and any other shares that may be concurrently offered in a primary offering by the Company). Coronado has agreed to use its commercially reasonable efforts to file a Form S-1 within sixty (60) days following the effective date of a Form 10 registration statement (the "Post Effective Filing Date"). In the event that the Form S-1 is not filed

by the Post-Effective Filing Date, Coronado will incur monthly liquidated damages, payable to Investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Shares issued in the Offering until the Form S-1 is filed (the "Form S-1 Liquidated Damages"), but in no event will the maximum aggregate Form S-1 Liquidated Damages payable exceed ten (10%) percent.

Special Dividend Declaration

The Company's Board of Directors declared a dividend for an aggregate of 2,178,917 shares of Common Stock to the holders of Series A Convertible Preferred Stock in satisfaction of the Series A Special Dividend that would have been due April 26, 2012 and in connection with such issuance (i) eliminated the provision for a Series A Special Dividend on April 26, 2012 and (ii) amended the event which will trigger an automatic conversion of shares of Series A Convertible Preferred and Series B Convertible Preferred into shares of Common Stock to be the effective date of a registration statement. The special dividend was paid in May 2011.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Condensed Consolidated Balance Sheets
($ in thousands except for per share amounts)
(Unaudited)

	As of March 31, 2011	As of December 31, 2010
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 9,269	$ 14,862
Prepaid and other current assets	85	55
Total current assets	9,354	14,917
Computer equipment, net of accumulated depreciation	19	22
Total Assets	$ 9,373	$ 14,939
LIABILITIES, CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 476	$ 476
Accounts payable – related party	47	46
Accrued expenses	912	1,037
PCP Interest payable – related party	17	—
Total current liabilities	1,452	1,559
PCP Notes payable – related party	750	—
Total Liabilities	2,202	1,559
Commitments and Contingencies		
Convertible Preferred Stock Series A, $.001 par value, 10,000,000 shares authorized 4,357,885 shares issued and outstanding as of December 31, 2010, net of issuance costs; 5,000,000 shares authorized, 4,357,885 shares issued and outstanding as of March 31, 2011	29,277	29,277
Convertible Preferred Stock Series B, $.001 par value, 5,000,000 shares authorized 2,525,677 shares issued and outstanding as of March 31, 2011; as of December 31, 2010 no shares authorized, issued or outstanding.	16,114	—
Stockholders' Deficit:		
Common Stock, $.001 par value, 50,000,000 shares authorized, 4,791,102 shares issued and outstanding as of March 31, 2011 and December 31, 2010	5	5
Additional paid-in capital	4,532	4,312
Deficit accumulated during the development stage	(42,757)	(20,214)
Total Stockholders' Deficit	(38,220)	(15,897)
Total Liabilities, Convertible Preferred Stock and Stockholders' Deficit	$ 9,373	$ 14,939

See accompanying notes to condensed consolidated financial statements.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Condensed Consolidated Statements of Operations
($ in thousands except for per share amounts)
(Unaudited)

	For the Three Months Ended March 31,		Period from June 28, 2006 (Date of Inception) to March 31, 2011
	2011	2010	
Operating expenses:			
Research and development	$ 1,246	$ 2,250	$ 17,204
General and administrative	593	52	2,453
Acquired in-process research and development	20,706	—	20,706
Loss from operations	(22,545)	(2,302)	(40,363)
Interest income	19	—	98
Other income	—	—	733
Interest expense, net	(17)	(1,114)	(3,225)
Net loss	$ (22,543)	$ (3,416)	$ (42,757)
Basic and diluted net loss per share of common stock	$ (4.71)	$ (0.83)	
Shares used to calculate basic and diluted net loss per share	4,791,102	4,100,599	

See accompanying notes to condensed consolidated financial statements.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)

Condensed Consolidated Statements of Changes in Convertible Preferred Stock and Stockholders' Deficit
Period from June 28, 2006 (date of inception) through March 31, 2011
($ in thousands)
(Unaudited)

	Preferred stock		Common stock				
	Shares	Amount	Shares	Amount	Additional paid-in capital	Deficit accumulated during development stage	Total stockholders' (deficit)
Balances at June 28, 2006 (Date of Inception)	—	$ —	—	$ —	$ —	$ —	$ —
Net loss	—	—	—	—	—	(123)	(123)
Balances at December 31, 2006	—	—	—	—	—	(123)	(123)
Issuance of Common Stock to founders			2,125,096	2	—	—	2
Issuance of restricted Common Stock to non-employees	—	—	2,180,000	2	—	—	2
Issuance of restricted Common Stock to employees			457,171	1			1
Stock-based compensation expense			—	—	13	—	13
Net loss	—	—	—	—	—	(2,645)	(2,645)
Balances at December 31, 2007	—	—	4,762,267	5	13	(2,768)	(2,750)
Stock-based compensation expense	—	—	—	—	25	—	25
Contribution of services by stockholder	—	—	—	—	20	—	20
Net loss	—	—	—	—	—	(3,798)	(3,798)
Balances at December 31, 2008	—	—	4,762,267	5	58	(6,566)	(6,503)
Issuance of Common Stock to non-employees for services	—	—	5,000	—	—	—	—
Stock-based compensation expense	—	—	—	—	39	—	39
Contribution of services by stockholder	—	—	—	—	40	—	40
Net loss	—	—	—	—	—	(3,666)	(3,666)
Balances at December 31, 2009	—	—	4,767,267	5	137	(10,232)	(10,090)
Issuance of Convertible Preferred Stock Series A for cash	2,584,166	21,681					—
Issuance of Convertible Preferred Stock Series A upon conversion of debt and accrued interest	1,773,719	10,508					
Costs related to issuance of Convertible Preferred Stock Series A, including the fair value of Common Stock warrants	—	(2,912)		—	621	—	621
Reclassification of warrant liability at fair value					234		234
Change in fair value of embedded conversion feature related to the Related Party Notes and Senior Convertible Notes	—	—	—	—	831		831
Issuance of Common Stock to non-employees for services	—	—	23,836	0	82		82
Issuance of Common Stock warrants to non-employees for services					38		38
Stock-based compensation expense	—	—	—	—	2,329	—	2,329
Contribution of services by stockholder	—	—	—	—	40	—	40
Net loss	—	—	—	—	—	(9,982)	(9,982)
Balances at December 31, 2010	4,357,885	$29,277	4,791,103	$ 5	$ 4,312	$ (20,214)	$ (15,897)
Issuance of Convertible Preferred Stock Series B	2,525,677	16,114	—	—	—	—	—
Issuance of Common Stock warrants to non-employees for services	—	—	—	—	77		77
Stock-based compensation expense	—	—	—	—	133	—	133
Contribution of services by stockholder	—	—	—	—	10	—	10
Net loss	—	—	—	—	—	(22,543)	(22,543)
Balances at March 31, 2011	6,883,562	$45,391	4,791,103	$ 5	$ 4,532	$ (42,757)	$ (38,220)

See accompanying notes to condensed consolidated financial statements

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Condensed Consolidated Statements of Cash Flows
($ in thousands)
(Unaudited)

	For the Three Months Ended March 31,		Period from June 28, 2006 (Date of Inception) to March 31,
	2011	2010	2011
Cash flows from operating activities:			
Net loss	$ (22,543)	$ (3,416)	$ (42,757)
Adjustments to reconcile net loss to net cash used in operating activities:			
Stock-based compensation expense	133	994	2,538
Acquired in-process research and development	20,706	—	20,706
Noncash interest	—	180	1,031
Noncash interest – related parties	—	26	286
Contribution of services by stockholder	10	10	110
Change in fair value of warrant liability related to senior convertible notes	—	557	—
Issuance of Common Stock to non-employee for services	—	—	82
Change in fair value of Common Stock warrant liability	—	—	234
Change in fair value of embedded conversion feature	—	196	831
Issuance of Common Stock warrants to non-employee for services	77	—	115
Amortization of deferred financing costs	—	141	737
Depreciation expense	2	1	21
Changes in operating assets and liabilities:			
Other current assets	(28)	(216)	(83)
Interest payable – related parties	17	14	17
Accounts payable and accrued expenses – related parties	1	—	48
Accounts payable and accrued expenses	(159)	(125)	1,354
Net cash used in operating activities	(1,784)	(1,638)	(14,730)
Cash flows from investing activities:			
Purchase of computer equipment	—	—	(41)
Purchase of in-process research and development	(3,809)	—	(3,809)
Net cash used in investing activities	(3,809)	—	(3,850)
Cash flows from financing activities:			
Proceeds from PCP notes payable – related party	—	—	570
Payment of PCP notes payable – related party	—	—	(570)
Proceeds from notes payable – related parties	—	302	2,221
Proceeds from issuance of Convertible Preferred Stock Series A	—	—	21,681
Payment of cost related to the issuance of Convertible Preferred Stock Series A	—	—	(2,291)
Proceeds from borrowing under line of credit	—	—	80
Payment of line of credit	—	—	(80)
Proceeds from Senior Convertible Notes	—	—	7,570
Payment of debt issue costs	—	(15)	(737)
Payment of notes payable – related parties	—	—	(600)
Proceeds from issuance of Common Stock	—	—	5
Net cash provided by financing activities	—	287	27,849
Increase / (decrease) in cash and cash equivalents	(5,593)	(1,351)	9,269
Cash and cash equivalents – beginning of period	14,862	1,510	—
Cash and cash equivalents – end of period	$ 9,269	$ 159	$ 9,269
Supplemental disclosure of cash flow information:			
Cash paid for interest	$ —	$ —	$ 89
Supplemental disclosure of non-cash financing and investing activities:			
Issuance of Convertible Preferred Stock Series B for purchase of assets	$ 16,114	$ —	$ 16,114
Assumed PCP note related to asset purchase	750	—	750
Issuance of warrants for Common Stock related to the Convertible Preferred Stock Series A	—	—	621
Conversion of senior convertible notes principal and interest into Convertible Preferred Stock Series A	—	—	8,601
Conversion of related party notes principal and interest into Convertible Preferred Stock Series A	—	—	1,907

See accompanying notes to condensed consolidated financial statements.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements
(Unaudited)

1. THE COMPANY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Coronado Biosciences, Inc. (the "Company"), incorporated in Delaware on June 28, 2006 (date of inception), is a development-stage biopharmaceutical company focused on novel immunotherapy agents for the treatment of cancer and autoimmune diseases. The Company focuses on in-licensing product candidates or technologies that have previously been tested for safety and biological activity in humans.

Development-Stage Risks and Liquidity

The Company is a development-stage enterprise. Activities to date include development of key compounds, obtaining regulatory approvals, establishing pre-commercial relationships, hiring qualified personnel and raising capital to fund operations. We continue to report as a development stage enterprise since planned principal operations have not yet commenced. Since inception, no revenue has been recognized and the Company has incurred net losses and negative cash flows from operations.

The Company has incurred losses and experienced negative operating cash flows since inception and has an accumulated deficit during the development stage of $42.8 million as of March 31, 2011. The Company anticipates incurring additional losses until such time, if ever, that it can generate significant revenue from its product candidates. To date, the Company's operations have been funded primarily by issuing equity securities and debt. During 2010, the Company issued 4,357,885 shares of Series A Convertible Preferred Stock resulting in gross proceeds to the Company of $21.7 million. All debt obligations have either been repaid or converted into shares of Series A Convertible Preferred Stock as of December 31, 2010. Between May 2011 and July 2011, the Company issued 4,612,624 shares of Series C Convertible Preferred Stock resulting in net proceeds to the Company of approximately $22.8 million. Management believes that cash and cash equivalents, including cash raised through the issuance of Series C Convertible Preferred Stock are sufficient to sustain operations through 2012 based on its existing business plan and given the ability to control the timing of significant expense commitments.

The Company expects to incur substantial expenditures in the foreseeable future for the research, development and potential commercialization of its product candidates. The Company will require additional financing to obtain regulatory approvals, fund operating losses, and, if deemed appropriate, establish manufacturing, sales and marketing capabilities. The Company will seek funds through public or private equity or debt financings, collaborative or other arrangements with corporate sources, or through other sources of financing. Adequate additional funding may not be available to the Company on acceptable terms or at all. The Company's failure to raise capital as and when needed could have a negative impact on its financial condition and its ability to pursue its business strategies. If adequate funds are not available to the Company, the Company may be required to delay, reduce or eliminate research and development programs, reduce or eliminate commercialization efforts and pursue merger or acquisition strategies.

There can be no assurance that the Company's research and development will be successfully completed, that adequate patent protection for the Company's technology will be obtained, that any products developed will obtain necessary government regulatory approval or that any approved products will be commercially viable. In addition, the Company operates in an environment of rapid change in technology and substantial competition from pharmaceutical and biotechnology companies, and is dependent upon the services of its employees and its consultants. Operations of the Company are subject to certain risks and uncertainties, including, among others,

uncertainty of product candidate development; technological uncertainty; dependence on collaborative partners; uncertainty regarding patents and proprietary rights; regulatory approvals and other comprehensive government regulations; having no commercial manufacturing experience, marketing or sales capability or experience; and dependence on key personnel. Any significant delays in the development or marketing of products could have a material adverse effect on our business and financial results.

The Company sources certain critical components from single source suppliers. If we were required to purchase these components from an alternative source, it could adversely affect development of our product candidates.

Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, ("GAAP"), for interim financial information and the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, the unaudited interim consolidated financial statements reflect all adjustments, which include only normal recurring adjustments necessary for the fair statement of our balances and results for the periods presented. Certain information and footnote disclosures normally included in the Company's annual financial statements prepared in accordance with GAAP have been condensed or omitted. These consolidated financial statement results are not necessarily indicative of results to be expected for the full fiscal year or any future period.

The consolidated balance sheet at December 31, 2010 has been derived from the audited consolidated financial statements at that date. The consolidated financial statements and related disclosures have been prepared with the presumption that users of the consolidated financial statements have read or have access to the audited consolidated financial statements for the preceding fiscal year. Accordingly, these consolidated financial statements should be read in conjunction with the audited financial statements and notes thereto contained in this Form 10.

The Company's unaudited consolidated financial statements include the accounts of the Company and its 100% owned subsidiary, Innmune Limited. All intercompany balances and transactions have been eliminated.

The preparation of the Company's unaudited consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed consolidated financial statements and the reported amounts of expenses during the reporting period.

Use of Estimates

The Company's unaudited consolidated financial statements include certain amounts that are based on management's best estimates and judgments. The Company's significant estimates include, but are not limited to, useful lives assigned to long-lived assets, the valuation of common and preferred stock, common stock warrants, stock options, accrued expenses, provisions for income taxes and contingencies. Due to the uncertainly inherent in such estimates, actual results may differ from management's estimates.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

Segment Reporting

The Company operates as one business and is managed by a single management team that reports to the chief executive officer. The Company does not operate separate lines of business or separate business entities with respect to any of its product candidates. Accordingly, the Company does not have separately reportable segments.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and certain highly liquid investments with original maturities of less than three months. The Company maintains balances at financial institutions which may exceed Federal Deposit Insurance Corporation insured limits.

Contingencies

The Company records accruals for contingencies and legal proceedings expected to be incurred in connection with a loss contingency when it is probable that a liability has been incurred and the amount can be reasonably estimated. If a loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed.

Stock-Based Compensation

The Company expenses stock-based compensation to employees over the requisite service period based on the estimated grant-date fair value of the awards and considering estimated forfeiture rates. For stock-based compensation awards to nonemployees, the Company remeasures the fair value of the nonemployee awards at each reporting period prior to vesting and finally at the vesting date of the award. Changes in the estimated fair value of these nonemployee awards are recognized as compensation expense in the period of change.

Determining the appropriate fair value of stock-based awards requires the use of subjective assumptions. In the absence of a public trading market of the Company's Common Stock, the Company commenced periodic contemporaneous assessments of the valuation of the Company's Common Stock. These valuations were performed concurrently with the achievement of significant milestones or with major financing. The Company considered numerous objective and subjective factors, including but not limited to the following factors:

- Arms length private transactions involving the Company's Convertible Preferred Stock
- Financial and operating performance;
- Market conditions;
- Developmental milestones achieved;
- Business risks; and
- Management and board experience.

The assumptions used in calculating the fair value of stock-based awards represent management's best estimates and involve inherent uncertainties and the application of management's judgment. As a result, if factors change and management uses different assumptions, stock-based compensation expense could be materially different for future awards.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

Income Taxes

The Company records income taxes using the asset and liability method. Deferred income tax assets and liabilities are recognized for the future tax effects attributable to temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective income tax bases, and operating loss and tax credit carryforwards. The Company establishes a valuation allowance if it is more likely than not that the deferred tax assets will not be recovered based on an evaluation of objective verifiable evidence. For tax positions that are more likely than not of being sustained upon audit, the Company recognizes the largest amount of the benefit that is greater than 50% likely of being realized. For tax positions that are not more likely than not of being sustained upon audit, the Company does not recognize any portion of the benefit.

Comprehensive Loss

The Company's comprehensive loss is equal to its net loss.

Recently Issued Accounting Standards

In June 2011, the Financial Accounting Standards Board ("FASB") issued ASU 2011-05 *Presentation of Comprehensive Income* which requires changes in stockholders equity be presented either in a single continuous statement of comprehensive income or in two separate statements. The amendment is effective for periods beginning after December 15, 2011.

In June 2011, the FASB issued ASU 2011-04 *Amendments to achieve common fair value measurement and disclosure requirements in US GAAP and IFRS*. This amendment changes wording used to describe many of the requirements in US GAAP for measuring fair value and disclosing information at fair value. The amendment is effective for periods beginning after December 15, 2011.

2. NET LOSS PER SHARE

The Company calculates earnings per share using the two-class method, which is an earnings allocation formula that determines earnings per share for Common Stock and non-forfeitable participating securities according to dividends declared and participation rights in undistributed earnings. Under this method, all earnings (distributed and undistributed) are allocated to common shares and participating securities based on their respective rights to receive dividends. Holders of the Series A Convertible Preferred Stock are entitled to a dividend equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock. Additionally, holders of restricted Common Stock are entitled to all cash dividends, when declared, and such dividends are non-forfeitable. The participating securities do not have a contractual obligation to share in any losses of the Company. As a result, net losses are not allocated to the participating securities for any of the periods presented.

Basic net loss per share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period, without consideration for Common Stock equivalents. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common shares and common share equivalents outstanding for the period. For purposes of this calculation, Common Stock equivalents are only included in the calculation of diluted net loss per share when the effect is dilutive.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

A calculation of basic and diluted net loss per share follows:

($ in thousands except per share amounts)	For the Three Months Ended March 31,	
	2011	2010
Historical net loss per share:		
Numerator		
Net loss attributed to common stockholders	$ (22,543)	$ (3,416)
Denominator		
Weighted-average common shares outstanding- Denominator for basic and diluted net loss per share	4,791,102	4,100,599
Basic and diluted net loss per share attributed to common stockholders	$ (4.71)	$ (0.83)

The Company's potential dilutive securities which include convertible debt, convertible preferred stock, unvested restricted stock, stock options, and warrants have been excluded from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average Common Stock outstanding used to calculate both basic and diluted net loss per share are the same.

The following shares of potentially dilutive securities have been excluded from the computations of diluted weighted average shares outstanding as the securities would be antidilutive:

	As of March 31,	
	2011	2010
Series A Convertible Preferred Stock	4,357,885	—
Series B Convertible Preferred Stock	2,329,235	—
Unvested restricted Common Stock	—	666,667
Warrants to purchase Common Stock	449,067	117,401
Options to purchase Common Stock	1,085,777	—
	8,221,964	784,068

3. DEBT

Paramount Credit Partners, LLC ("PCP") Promissory Notes (the "PCP Notes")

On January 7, 2011, as part of the Asphelia Asset Purchase, the Company assumed a 10% promissory note issued to PCP by Asphelia Pharmaceuticals, Inc. ("Asphelia"), an affiliate of Paramount Biosciences, LLC ("PBS"), on January 22, 2009 for $750,000, which is classified as long-term debt in the consolidated balance sheets. All unpaid principal and accrued interest outstanding under the PCP Note is payable on the earlier of (i) December 31, 2013, (ii) the consummation of an equity financing involving the sale of its equity securities or a merger or share exchange in which the aggregate consideration payable to the Company or its shareholders is greater than or equal to $10 million.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

Interest expense consisted of the following:

($ in thousands)	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2010	Period from June 28, 2006 (Date of Inception) to March 31, 2011
Interest expense – senior convertible notes	$ —	$ 179	$ 1,032
Interest expense – related parties	—	26	286
Interest expense – PCP notes	17	14	105
Senior convertible notes derivitive liability	—	557	—
Amortization of embedded conversion feature related to the senior convertible and related party notes	—	196	831
Change in fair value of Common Stock warrant liability	—	—	239
Amortization of deferred financing fees related to to the senior convertible notes	—	142	737
Total interest expense	$ 17	$ 1,114	$ 3,230

4. FAIR VALUE MEASUREMENT

The Company follows accounting guidance on fair value measurements for financial assets and liabilities measured on a recurring basis. Under the accounting guidance, fair value is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or a liability.

The accounting guidance requires fair value measurements be classified and disclosed in one of the following three categories:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Observable inputs other than Level 1 prices, for similar assets or liabilities that are directly or indirectly observable in the marketplace.

Level 3: Unobservable inputs which are supported by little or no market activity and that are financial instruments whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant judgment or estimation.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
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There were no assets or liabilities that were required to be remeasured at fair value as of March 31, 2011 and December 31, 2010.

Some of the Company's financial instruments are not measured at fair value on a recurring basis but are recorded at amounts that approximate fair value due to their liquid or short-term nature, such as cash and cash equivalents, prepaid expenses, other current assets, accounts payable, accrued expenses and other current liabilities. The carrying amount of the Company's debt obligations approximate fair value based on the short term duration and interest rates available on similar borrowings.

5. COMPUTER EQUIPMENT, NET

Computer equipment, net consists of the following:

($ in thousands)	As of March 31, 2011	As of December 31, 2010
Computer equipment	$ 41	$ 41
Less: Accumulated depreciation	(22)	(19)
Computer equipment, net	$ 19	$ 22

Depreciation expense for the three months ended March 31, 2011 and 2010 and for the period from June 28, 2006 (date of inception) through March 31, 2011 was $1,000, $2,000 and $22,000, respectively.

6. ACCRUED LIABILITIES

Accrued liabilities consist of the following:

($ in thousands)	As of March 31, 2011	As of December 31, 2010
Salaries, bonuses and related benefits	$ 284	$ 553
Professional fees	485	309
Research and development expenses	127	143
Other	17	32
Total accrued expenses	$ 912	$ 1,037

7. PURCHASE OF SUBLICENSE

On January 7, 2011, the Company entered into an asset purchase agreement with Asphelia (the "Asphelia Asset Purchase" or "Asphelia Agreement"). Pursuant to the terms of the Asphelia Agreement, the Company paid $20.7 million for the purchase of a sublicense from Asphelia relating to the CNDO-201 compound, an early stage developmental compound.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
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In exchange for the assets, the Company issued 2,525,677 shares of its Series B Convertible Preferred Stock at a fair value of $6.38 per share, assumed a promissory note of $750,000 and paid cash of approximately $3.8 million, including a $3.4 million payment to OvaMed and $0.4 million for repayment of Asphelia's debt to related parties. The total consideration paid to Asphelia is as follows;

($ in thousands)	
Fair value of 2,525,677 shares of Series B Convertible Perferred Stock	$16,114
Cash payment	3,809
Fair value of Paramount Credit Partners Note	750
Other transaction costs	34
Total purchase price	$20,706

The transaction was treated as an asset acquisition as it was determined that the assets acquired did not meet the definition of a business. In accordance with accounting guidance, costs incurred in obtaining technology licenses are charged to research and development expense if the technology licensed has not reached technological feasibility and has no alternative future use. The sublicenses purchased from Asphelia requires substantial completion of research and development, regulatory and marketing approval efforts in order to reach technological feasibility, therefore the purchase price of $20.7 million was reflected as acquired in-process research and development in the consolidated statement of operations for the three months ended March 31, 2011.

In connection with the Asphelia Asset Purchase, Asphelia assigned the Exclusive Sublicense Agreement, dated December 2005, between Asphelia and OvaMed (as amended, the "OvaMed License") and Manufacturing and Supply Agreement dated March 2006, between Asphelia and OvaMed (as amended, the "OvaMed Supply Agreement") to the Company and the Company assumed Asphelia's obligations under these agreements. Under the OvaMed License, the Company has exclusive rights (which were licensed by OvaMed from the University of Iowa Research Foundation), including sublicense rights, in North America, South America and Japan, and know-how to make, use and sell products covered by these patents and know-how.

Under the OvaMed License, the Company is required to make milestone payments to OvaMed totaling up to approximately $5.45 million, depending upon the achievement of various regulatory milestones for the first product that incorporates CNDO-201, and additional milestone payments upon the achievement of regulatory milestones relating to subsequent indications. In the event that CNDO-201 is commercialized, the Company is obligated to pay to OvaMed royalties based on net sales.

The OvaMed Supply Agreement expires in March 2013 and is subject to early termination by either party under certain customary conditions of breach. The OvaMed Supply Agreement will automatically renew for successive one-year periods, unless the Company gives 12 months prior notice of its election not to renew, and subject to the Company's right to terminate the agreement in the event of specified failures to supply or regulatory or safety failures.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

8. EQUITY

Preferred Stock

On January 7, 2011, the Company issued 2,525,677 Series B Convertible Preferred Stock related to the Asphelia Asset Purchase. The terms, rights, preference and privileges of the Company's Series A Convertible Preferred Stock are as follows:

Voting Rights

Holder of Series B Convertible Preferred Stock vote together with the Common Stock on all matters, on an as-converted to Common Stock basis, and not as a separate class or series (except as otherwise may be required by applicable law). There is no cumulative voting.

Liquidation

In the case of a liquidation event, including a sale, merger or winding up of the Company, the holders of Series B Convertible Preferred Stock shall be entitled to receive $8.39 per share (representing 150% of the original issuance price), out of the proceeds of such liquidation, in preference to the holders of Common Stock.

Conversion

Each share of Series B Convertible Preferred Stock will be voluntarily convertible into one share of Common Stock at the election of the holder. Additionally, each share of Series B Convertible Preferred Stock will automatically convert into one share of Common Stock upon the automatic conversion of Series A Convertible Preferred Stock.:

Dividends

Dividends are payable when and if declared by the Board of Directors. There are no cumulative accruing dividend rights.

Fully Paid and Nonassessable

All of the Company's outstanding shares of Common Stock are fully paid and nonassessable.

Warrants for Common Stock

Non-Employee Warrants

In February 2011, the Company issued a warrant to purchase 50,000 shares of common stock at an exercise price of $1.37 per share as compensation for consulting services provided by non-employees. The warrant expires on the seventh anniversary of its issuance date. The initial fair value of the warrant was calculated using a Black-Scholes option pricing model with the following assumptions: five year contractual term; 93.2% volatility; 0% dividend rate; and a risk-free interest rate of 2.65%. The fair value of the warrants was determined to be $69,000 and was recorded as additional paid-in capital in the consolidated balance sheets and as a component of research and development expense in the consolidated statements of operations.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
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Notes to Condensed Consolidated Financial Statements – (Continued)
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In March 2011, the Company issued a warrant to purchase 60,000 shares of common stock at an exercise price of $1.37 per share as compensation for consulting services provided by a non-employee. The warrant expires on the fifth anniversary of its issuance date and vest over six months. The initial fair value of the warrant was calculated using a Black-Scholes option pricing model with the following assumptions: ten year contractual term; 95.4% volatility; 0% dividend rate; and a risk-free interest rate of 3.58%. The fair value of the warrants was determined to be $98,000 and was recorded as additional paid-in capital in the consolidated balance sheets and as a component of research and development expense in the consolidated statements of operations.

Stock-based Compensation

Stock-based Compensation Plans

As of March 31, 2011, the Company has one active equity compensation plan, the Coronado Biosciences, Inc. 2007 Stock Incentive Plan (the "Plan"), for employees, non-employees and outside directors.

Compensation Expense

The following table summarizes the stock-based compensation expense from stock option and restricted Common Stock awards to employees and nonemployees for the three months ended March 31, 2011 and 2010, and from the period June 28, 2006 (Date of Inception) to date:

($ in thousands)	2011	2010	Period from June 28, 2006 (Date of Inception) to March 31, 2011
Employee awards	$ 99	$—	$ 314
Non-employee awards	34	994	2,224
Total compensation expense	$133	$994	$ 2,538

The following table summarizes stock option activity as of March 31, 2011:

	Outstanding Options			
($ in thousands except per share amounts)	Number of Shares	Exercise Price	Total Weighted Average Intrinsic Value	Weighted Average Remaining Contractual Life (in years)
At December 31, 2010	1,132,110	$ 1.37		
Options granted	35,000	1.37		
Options exercised	—	1.37		
Options forfeited	(100,000)	1.37		
Options expired	—	—		
At March 31, 2011	1,067,110	$ 1.37	$ 470	9.5
Options vested and expected to vest	1,028,694	$ 1.37	$ 543	8.8
Options vested and exercisable	78,040	$ 1.37	$ 34	0.1

As of March 31, 2011, the Company had unrecognized stock-based compensation expense related to unvested stock options granted to employees of $1.4 million, which is expected to be recognized over the remaining weighted-average vesting period of 2.6 years.

CORONADO BIOSCIENCES, INC. AND SUBSIDIARY
(A development stage enterprise)
Notes to Condensed Consolidated Financial Statements – (Continued)
(Unaudited)

9. SUBSEQUENT EVENTS

Equity Issuances

Subsequent to March 31, 2011 and through May 31, 2011, the Company granted 640,000 stock options at an exercise price of $1.93 per share.

On May 15, 2011, the Company entered into a definitive agreement with respect to the private placement of 4,612,624 million shares of unregistered Series C Convertible Preferred Stock at $5.59 per share to accredited investors. The Company completed the private placement in June 2011 resulting in approximately $22.8 million in net proceeds to the Company. As compensation for services, the Company paid the placement agent of these securities 10% of the gross proceeds and issued to the placement agent warrants to purchase Series C Preferred Stock at $5.59 per share equal to 10% of the aggregate number of shares sold in the offering. Following this Offering, Coronado plans to become a public company by filing a Form 10 registration statement ("Form 10") with U.S. Securities and Exchange Commission pursuant to Section 12(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Coronado has agreed to use its commercially reasonable efforts to file a Form 10 within sixty (60) days following the Final Closing (the "Form 10 Filing Date"). In the event that the Form 10 is not filed by the Form 10 Filing Date, Coronado will incur monthly liquidated damages, payable to investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Shares issued in the Offering until the Form 10 is filed (the "Form 10 Liquidated Damages"), but in no event will the maximum aggregate Form 10 Liquidated Damages payable exceed ten (10%) percent. In connection with the filing of a Form 10, Coronado intends to be quoted on an over-the-counter bulletin board for such period until Coronado has met the NASDAQ or AMEX listing requirements and can then apply to be listed on one of the NASDAQ or AMEX markets. Following the filing of a Form 10, Coronado also plans to file a Form S-1 registration statement (the "Form S-1") covering the resale of all of the common stock issuable upon conversion of the Shares (as well as the shares of common stock underlying the Series A and Series B preferred shares and any other shares that may be concurrently offered in a primary offering by the Company). Coronado has agreed to use its commercially reasonable efforts to file a Form S-1 within sixty (60) days following the effective date of a Form 10 registration statement (the "Post Effective Filing Date"). In the event that the Form S 1 is not filed by the Post-Effective Filing Date, Coronado will incur monthly liquidated damages, payable to Investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Shares issued in the Offering until the Form S-1 is filed (the "Form S-1 Liquidated Damages"), but in no event will the maximum aggregate Form S-1 Liquidated Damages payable exceed ten (10%) percent.

Special Dividend Declaration

The Company's Board of Directors declared a dividend for an aggregate of 2,178,917 shares of Common Stock to the holders of Series A Convertible Preferred Stock in satisfaction of the Series A Special Dividend that would have been due April 26, 2012 and in connection with such issuance (i) eliminated the provision for a Series A Special Dividend on April 26, 2012 and (ii) amended the event which will trigger an automatic conversion of shares of Series A Convertible Preferred and Series B Convertible Preferred into shares of Common Stock to be the effective date of a registration statement. The special dividend was paid in May 2011.

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SIGNATURES

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

CORONADO BIOSCIENCES, INC.

Date: July 15, 2011

By /s/ Bobby W. Sandage, Jr., Ph.D.
Name: Bobby W. Sandage, Jr., Ph.D.
Title: President and Chief Executive Officer

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EXHIBIT INDEX

Exhibit	Description
3.1	Amended and Restated Certificate of Incorporation of the Registrant.
3.2	First Certificate of Amendment to Amended and Restated Certificate of Incorporation.
3.3	Certificate of Designation, Preferences and Rights of the Series B Convertible Preferred Stock.
3.4	Certificate of Designation, Preferences and Rights of the Series C Convertible Preferred Stock.
3.6	Amended and Restated Bylaws of the Registrant.
4.1	Form of Common Stock Certificate.
4.2	Form of Series A Convertible Preferred Stock Certificate.
4.3	Form of Series B Convertible Preferred Stock Certificate.
4.4	Form of Series C Convertible Preferred Stock Certificate.
4.5	Form of Warrant to Purchase Common Stock issued by the Registrant in connection with the 2008 bridge financing.
4.6	Form of Warrant to Purchase Common Stock issued by the Registrant in connection with the 2009 bridge financing.
4.7	Form of Warrant to Purchase Common Stock issued by the Registrant in connection with the Series A financing.
4.8	Form of Warrant to Purchase Common Stock issued by the Registrant in connection with the Series C financing.
4.9	Form of Warrant to Purchase Series C Convertible Preferred Stock issued by the Registrant in connection with the 2011 Series C financing.
4.10	Form of Consultant/Agent Warrant to Purchase Common Stock.
10.1	Form of Note Purchase Agreement relating to the 2008 bridge financing.
10.2	Form of Note Purchase Agreement relating to the 2009 bridge financing.
10.3	Form of Subscription Agreement relating to the initial Series A financing.
10.4	Form of Subscription Agreement relating to the second Series A financing.
10.5	Form of Subscription Agreement relating to the Series C financing.
10.6	Form of Consent and Support Agreement.
10.7	Letter Agreement, dated April 29, 2011, by and between the Registrant and Manchester Securities Corp.
10.8*	2007 Stock Incentive Plan.
10.9*	Form of Stock Option Award Agreement.
10.10†	Exclusive Sublicense Agreement, dated December 12, 2005, by and between OvaMed GmbH and Collingwood Pharmaceuticals, Inc.
10.11†	Manufacturing and Supply Agreement, dated March 29, 2006, by and among OvaMed GmbH and Collingwood Pharmaceuticals, Inc.
10.12†	Licence Agreement, dated November 5, 2007, by and between UCL Business PLC and the Registrant.

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Exhibit	Description
10.13†	Letter Agreement, dated November 8, 2007, by and between Asphelia Pharmaceuticals, Inc. and OvaMed GmbH.
10.14†	Amendment No. 1 to License Agreement, dated September 30, 2009, by and between the Registrant and UCL Business PLC.
10.15†	Master Contract Services Agreement, dated April 1, 2010, by and between the Registrant and Progenitor Cell Therapy, LLC.
10.16†	Term Sheet in causa OvaMed/Asphelia, dated June 8, 2010, by and between OvaMed GmbH and Asphelia Pharmaceuticals, Inc.
10.17†	Amendment and Agreement, dated January 7, 2011, by and among Asphelia Pharmaceuticals, Inc., the Registrant and OvaMed GmbH.
10.18	Asset Purchase Agreement, dated January 7, 2011, by and between the Registrant and Asphelia Pharmaceuticals, Inc.
10.19*	Employment Agreement, dated March 21, 2011, by and among Registrant and Bobby W. Sandage, Jr., Ph.D.
10.20*	Employment Agreement, dated April 1, 2011, by and among the Registrant and Glenn L. Cooper. M.D.
10.21*	Employment Agreement, dated May 16, 2011, by and between the Registrant and Dale Ritter.
10.22*	Separation Agreement, dated June 3, 2011, by and between the Registrant and Gary G. Gemignani.
10.23*	Separation Agreement, dated December 2, 2010, by and between the Registrant and Raymond J. Tesi, M.D.
10.24*	Consulting Agreement, dated September 21, 2010, by and between the Registrant and Eric Rowinsky, M.D.
10.25	Lease Agreements dated May 21, 2010, November 19, 2010 and March 31, 2011 relating to the Registrant's premises located at 45 Rockefeller Plaza, Suite 2000, New York, New York 10111.
10.26	Lease Agreement dated May 26, 2011 relating to the Registrant's premises located at 15 New England Executive Park, Burlington, Massachusetts 01803.
21.1	Subsidiaries of the Registrant.

† Confidential Treatment Requested
* Indicates management contract or compensatory plan

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
CORONADO BIOSCIENCES, INC.

RJ Tesi, M.D. hereby certifies that:

ONE: The date of filing the original Certificate of Incorporation of this Corporation with the Secretary of State of the State of Delaware was June 28, 2006.

TWO: He is the duly elected and acting Chief Executive Officer of Coronado Biosciences, Inc., a Delaware corporation.

THREE: The Certificate of Incorporation of this Corporation is hereby amended and restated to read as follows:

ARTICLE I

The name of this Corporation is Coronado Biosciences, Inc. (the ***"Corporation"***).

ARTICLE II

The address of the registered office of the Corporation in the State of Delaware is 615 South DuPont Highway, Dover, DE 19901, County of Kent, and the name of its registered agent at such address is National Corporate Research, Ltd.

ARTICLE III

The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of the State of Delaware.

ARTICLE IV

A. This Corporation is authorized to issue two classes of stock to be designated "Common Stock" and "Preferred Stock." The total number of shares which the Corporation is authorized to issue is 65,000,000 shares, 50,000,000 of which shall be Common Stock, par value $0.001 per share, and 15,000,000 of which shall be Preferred Stock, par value $0.001 per share.

B. 10,000,000 of the authorized shares of Preferred Stock are hereby designated "Series A Preferred Stock" (the ***"Series A Preferred"***).

C. The Preferred Stock may be issued from time to time in one or more series. The Board of Directors of the Corporation (the ***"Board"***) is hereby expressly authorized to provide for the issue of all of any of the remaining shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designation, preferences, and relative,

participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board providing for the issuance of such shares and as may be permitted by the DGCL. The Board is also expressly authorized to increase or decrease the number of shares of any series subsequent to the issuance of shares of that series, but not below the number of shares of such series then outstanding. In case the number of shares of any series shall be decreased in accordance with the foregoing sentence, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series

D. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by the affirmative vote of the holders of a majority of the stock of the Corporation entitled to vote (voting together as a single class on an as-if-converted basis). The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of the stock of the corporation entitled to vote thereon, without a separate vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the terms of any certificate of designation filed with respect to any series of Preferred Stock.

E. The rights, preferences, privileges, restrictions and other matters relating to the Series A Preferred Stock are as follows:

1. DIVIDEND RIGHTS.

(a) If the Series A Preferred is automatically converted into Common Stock pursuant to Section 5(j)(ii) of this article on the Time-based Automatic Conversion Date (as defined in Section 5(j)(i) below), the holders of Series A Preferred shall, immediately prior to such automatic conversion, receive a special dividend on each share of Series A Preferred (the ***"Special Dividend"***). The Special Dividend shall be payable in cash or shares of the Corporation's Common Stock, as determined at the election of, and in the sole discretion of, the Board, and only to the extent that such Special Dividend is legally payable by the Corporation. The Special Dividend per share of Series A Preferred shall be calculated as follows:

$$\left(\frac{A+\$10{,}000{,}000}{2}\right)/B$$

A = the aggregate amount raised in the Offering (as defined in Section 5(j)(i) below); *provided that* such aggregate amount shall not include the amount of any indebtedness of the Corporation converted into Series A Preferred in connection with the Offering other than the principal amount of and accrued interest on indebtedness incurred by the Corporation on or after December 14, 2009 and converted into Series A Preferred in connection with the Offering

B = the aggregate number of shares of Series A Preferred outstanding as of immediately following the last sale of shares of Series A Preferred in the Offering (as adjusted for any stock splits, dividends and the like after the filing date hereof.)

(b) So long as any shares of Series A Preferred are outstanding, the Corporation shall not pay or declare any dividend, whether in cash or property, or make any other distribution on the Common Stock, or purchase, redeem or otherwise acquire for value any shares of Common Stock unless and until the Special Dividend set forth in Section 1(a) above shall have been paid or declared and set apart, except for:

(i) acquisitions of Common Stock by the Corporation pursuant to agreements which permit the Corporation to repurchase such shares at cost (or the lesser of cost or fair market value) upon termination of services to the Corporation; or

(ii) acquisitions of Common Stock in exercise of the Corporation's right of first refusal to repurchase such shares.

(c) In the event dividends are paid on any share of Common Stock, the Corporation shall pay an additional dividend on all outstanding shares of Series A Preferred in a per share amount equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock.

(d) The provisions of Sections 1(b) and 1(c) shall not apply to a dividend payable solely in Common Stock to which the provisions of Section 5(f) hereof are applicable.

2. VOTING RIGHTS. Each holder of shares of the Series A Preferred shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series A Preferred could be converted (pursuant to Section 5 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent and shall have voting rights and powers equal to the voting rights and powers of the Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation. Except as otherwise provided herein or as required by law, the Series A Preferred shall vote together with the Common Stock at any annual or special meeting of the stockholders (or by written consent of the stockholders in lieu of such a meeting) and not as a separate class, and may act by written consent in the same manner as the Common Stock.

3. LIQUIDATION RIGHTS.

(a) Upon any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary (a ***"Liquidation Event"***), before any distribution or payment shall be made to the holders of any Common Stock, subject to the rights of any series of Preferred Stock that may from time to time come into existence, the holders of Series A Preferred shall be entitled to be paid out of the assets of the Corporation legally available for distribution for each share of Series A Preferred held by them, an amount per share of Series A Preferred equal to 1.5 times the Original Issue Price (defined below). If, upon any such Liquidation Event, the assets of the Corporation shall be insufficient to make payment in full to all holders of Series A Preferred of the liquidation preference set forth in this Section 3(a), then such assets (or consideration) shall be distributed among the holders of Series A Preferred at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be

respectively entitled. The ***"Original Issue Price"*** of the Series A Preferred shall be $8.39 per share (as adjusted for any stock splits, dividends and the like with respect to such shares after the filing date hereof).

(b) After the payment of the full liquidation preference of the Series A Preferred as set forth in Section 3(a) above, the assets of the Corporation legally available for distribution in such Liquidation Event (or the consideration received by the Corporation or its stockholders in such Acquisition or Asset Transfer), if any, shall be distributed ratably to the holders of the Common Stock.

4. ASSET TRANSFER OR ACQUISITION RIGHTS.

(a) In the event that the Corporation is a party to an Acquisition or Asset Transfer (as hereinafter defined), then each holder of Series A Preferred shall be entitled to receive, for each share of Series A Preferred then held, out of the proceeds of such Acquisition or Asset Transfer, the amount of cash, securities or other property to which such holder would be entitled to receive in a Liquidation Event pursuant to Section 3(a) above.

(b) For the purposes of this Section 4: (i) ***"Acquisition"*** shall mean (A) any transaction or series of related transactions with one or more non-affiliates of the Corporation, pursuant to which such party or parties acquire capital stock of the Company or the surviving entity possessing the voting power to elect a majority of the board of directors of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's capital stock or otherwise); provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Corporation or any successor or indebtedness of the Corporation is cancelled or converted or a combination thereof; and (ii) ***"Asset Transfer"*** shall mean any transaction or series of related transactions that results in a sale, lease, transfer or other disposition of all or substantially all of the assets of the Corporation determined on a consolidated basis.

(c) In any Acquisition or Asset Transfer, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board on the date such determination is made.

5. CONVERSION RIGHTS.

The holders of the Series A Preferred shall have the following rights and restrictions with respect to the conversion of the Series A Preferred into shares of Common Stock (the ***"Conversion Rights"***):

(a) Optional Conversion. Subject to and in compliance with the provisions of this Section 5, any shares of Series A Preferred may, at the option of the holder, be converted at any time into fully-paid and nonassessable shares of Common Stock. The number of shares of Common Stock to which a holder of Series A Preferred shall be entitled upon conversion shall be the product obtained by multiplying the Series A Preferred Conversion Rate then in effect (determined as provided in Section 5(b)) by the number of shares of Series A Preferred being converted.

(b) Series A Preferred Conversion Rate. The conversion rate in effect at any time for conversion of the Series A Preferred (the ***"Series A Preferred Conversion Rate"***) shall be the quotient obtained by dividing the Original Issue Price of the Series A Preferred by the Series A Preferred Conversion Price, calculated as provided in Section 5(c).

(c) Series A Preferred Conversion Price. The conversion price for the Series A Preferred shall initially be the Original Issue Price of the Series A Preferred (the ***"Series A Preferred Conversion Price"***). Such initial Series A Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5. All references to the Series A Preferred Conversion Price herein shall mean the Series A Preferred Conversion Price as so adjusted.

(d) Mechanics of Conversion. Each holder of Series A Preferred who desires to convert the same into shares of Common Stock pursuant to this Section 5 shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or any transfer agent for the Series A Preferred, and shall give written notice to the Corporation at such office that such holder elects to convert the same. Such notice shall state the number of shares of Series A Preferred being converted. Thereupon, the Corporation shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of Common Stock to which such holder is entitled and shall promptly pay in cash (at the Common Stock's fair market value determined by the Board as of the date of conversion) the value of any fractional share of Common Stock otherwise issuable to any holder of Series A Preferred. Such conversion shall be deemed to have been made at the close of business on the date of such surrender of the certificates representing the shares of Series A Preferred to be converted, and the person entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Common Stock on such date.

(e) Adjustment for Stock Splits and Combinations. If at any time or from time to time on or after the date that the first share of Series A Preferred is issued (the ***"Original Issue Date"***) the Corporation effects a subdivision of the outstanding Common Stock, the Series A Preferred Conversion Price in effect immediately before that subdivision shall be proportionately decreased. Conversely, if at any time or from time to time after the Original Issue Date the Corporation combines the outstanding shares of Common Stock into a smaller number of shares, the Series A Preferred Conversion Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 5(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(f) Adjustment for Common Stock Dividends and Distributions. If at any time or from time to time on or after the Original Issue Date the Corporation pays to holders of Common Stock a dividend or other distribution in additional shares of Common Stock, the Series A Preferred Conversion Price then in effect shall be decreased as of the time of such issuance, as provided below:

(i) The Series A Preferred Conversion Price shall be adjusted by multiplying the Series A Preferred Conversion Price then in effect by a fraction equal to:

(A) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance, and

(B) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

(ii) If the Corporation fixes a record date to determine which holders of Common Stock are entitled to receive such dividend or other distribution, the Series A Preferred Conversion Price shall be fixed as of the close of business on such record date and the number of shares of Common Stock shall be calculated immediately prior to the close of business on such record date; and

(iii) If such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series A Preferred Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series A Preferred Conversion Price shall be adjusted pursuant to this Section 5(f) to reflect the actual payment of such dividend or distribution.

(g) Adjustment for Reclassification, Exchange, Substitution, Reorganization, Merger or Consolidation. If at any time or from time to time on or after the Original Issue Date the Common Stock issuable upon the conversion of the Series A Preferred is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification, merger, consolidation or otherwise (other than an Acquisition or Asset Transfer as defined in Section 4 or a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5), in any such event each holder of Series A Preferred shall then have the right to convert Series A Preferred into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification, merger, consolidation or other change by holders of the maximum number of shares of Common Stock into which such shares of Series A Preferred could have been converted immediately prior to such recapitalization, reclassification, merger, consolidation or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the holders of Series A Preferred after the capital reorganization to the end that the provisions of this Section 5 (including adjustment of the Series A Preferred Conversion Price then in effect and the number of shares issuable upon conversion of the Series A Preferred) shall be applicable after that event and be as nearly equivalent as practicable.

(h) Certificate of Adjustment. In each case of an adjustment or readjustment of the Series A Preferred Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Series A Preferred, if the Series A Preferred is then convertible pursuant to this Section 5, the Corporation, at its expense, shall

compute such adjustment or readjustment in accordance with the provisions hereof and shall, upon request, prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first class mail, postage prepaid, to each registered holder of Series A Preferred so requesting at the holder's address as shown in the Corporation's books. Failure to request or provide such notice shall have no effect on any such adjustment.

(i) Notices of Record Date. Upon (i) any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend, distribution or other right, or (ii) any Acquisition (as defined in Section 4) or other capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation with or into any other corporation, or any Asset Transfer (as defined in Section 4), or any voluntary or involuntary dissolution, liquidation or winding up of the Corporation, the Corporation shall mail to each holder of Series A Preferred at least 10 days prior to (x) the record date, if any, specified therein; or (y) if no record date is specified, the date upon which such action is to take effect (or, in either case, such shorter period approved by the holders of a majority of the outstanding Series A Preferred) a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend or distribution and a description of such dividend or distribution, (B) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up is expected to become effective, and (C) the date, if any, that is to be fixed as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up.

(j) Automatic Conversion.

(i) The following definitions shall apply to this Section 5(j):

(A) ***"Offering"*** shall have the meaning ascribed to it in that certain Confidential Offering Memorandum of the Corporation, dated January 20, 2010, as supplemented and amended from time to time.

(B) ***"Time-based Automatic Conversion Date"*** shall mean the date that is the two-year anniversary of the last sale of Series A Preferred in the Offering.

(C) ***"Valuation Milestone Date"*** shall mean the date upon which the Corporation's capital stock is publicly traded and has a value of $12.59 or more per share, as adjusted for any stock splits, dividends and the like with respect to such shares after the filing date hereof. The Valuation Milestone Date shall be deemed to be the earlier of (x) the date upon which the Corporation's capital stock is first publicly traded, provided that such capital stock has an initial quoted price of greater than or equal to $12.59 per share and (y) the date that is the 20th consecutive or non-consecutive trading day where the volume-weighted average price for such capital stock as reported by Bloomberg Financial L.P. is greater than or equal to $12.59 per share, in each case as adjusted for any stock splits, dividends and the like after the filing date hereof.

(ii) Each share of Series A Preferred shall be automatically converted into shares of Common Stock, based on the then-effective Series A Preferred Conversion Price, on the date that is the earlier of (A) the Time-based Automatic Conversion Date or (B) the Valuation Milestone Date.

(iii) Upon the earlier of the Time-based Automatic Conversion Date and the Valuation Milestone Date, the outstanding shares of Series A Preferred shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; *provided, however*, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such conversion unless the certificates evidencing such shares of Series A Preferred are either delivered to the Corporation or its transfer agent as provided below, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. Upon the occurrence of such automatic conversion of the Series A Preferred, the holders of Series A Preferred shall surrender the certificates representing such shares at the office of the Corporation or any transfer agent for the Series A Preferred. Thereupon, there shall be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Common Stock into which the shares of Series A Preferred surrendered were convertible on the date on which such automatic conversion occurred.

(k) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of Series A Preferred. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series A Preferred by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of any fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the fair market value of one share of Common Stock (as determined by the Board) on the date of conversion.

(l) Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A Preferred. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred, the Corporation will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

(m) Notices. Any notice required by the provisions of this Section 5 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal

business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with verification of receipt. All notices shall be addressed to each holder of record at the address of such holder appearing on the books of the Corporation.

(n) Payment of Taxes. The Corporation will pay all taxes (other than taxes based upon income) and other governmental charges that may be imposed with respect to the issue or delivery of shares of Common Stock upon conversion of shares of Series A Preferred, excluding any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the shares of Series A Preferred so converted were registered.

6. NO REISSUANCE OF SERIES A PREFERRED.

Any share or shares of Series A Preferred redeemed, purchased, converted or exchanged shall be cancelled and retired and shall not be reissued or transferred.

ARTICLE V

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 General Corporation Law of the State of Delaware, or (iv) for any transaction from which the director derived any improper personal benefit. If the General Corporation Law of the State of Delaware is amended after approval by the stockholders of this Article to authorize corporate action further eliminating or limiting the personal liability of directors then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law of the State of Delaware as so amended.

Any repeal or modification of the foregoing provisions of this Article VI by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

ARTICLE VI

The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation.

ARTICLE VII

Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

ARTICLE VIII

The number of directors which shall constitute the whole Board shall be fixed from time to time by, or in the manner provided in, the Bylaws of the Corporation or in an amendment thereof duly adopted by the Board or by the stockholders of the Corporation.

ARTICLE IX

Meetings of stockholders of the Corporation may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept (subject to any provision contained in the statutes) outside the State of Delaware at such place or places as may be designated from time to time by the Board or in the Bylaws of the Corporation.

ARTICLE X

Except as otherwise provided in this Certificate of Incorporation, in furtherance and not in limitation of the powers conferred by statute, the Board is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

* * * *

FOUR: This Amended and Restated Certificate of Incorporation has been duly approved by the Board of the Corporation.

FIVE: This Amended and Restated Certificate of Incorporation has been duly adopted in accordance with the provisions of Sections 242 and 245 of the DGCL by the stockholders of the Corporation.

IN WITNESS WHEREOF, Coronado Biosciences, Inc. has caused this Amended and Restated Certificate of Incorporation to be signed by its Chief Executive Officer this 21st day of April, 2010.

CORONADO BIOSCIENCES, INC.

Signature: */s/ RJ Tesi, M.D.*

RJ TESI, M.D.
Chief Executive Officer

Exhibit 3.2

FIRST CERTIFICATE OF AMENDMENT OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
CORONADO BIOSCIENCES, INC.

CORONADO BIOSCIENCES, INC., a corporation organized and existing under the General Corporation Law of the State of Delaware (the "***Company***"), does hereby certify as follows:

ONE: The date of filing the original Certificate of Incorporation of this Corporation with the Secretary of State of the State of Delaware was June 28, 2006.

TWO: Glenn L. Cooper, M.D. is the duly elected and acting Chairman of the Board of the Company.

THREE: The Board of Directors of the Company, acting in accordance with the provisions of Section 141 and 242 of the General Corporation Law of the State of Delaware, adopted resolutions amending its Certificate of Incorporation as follows:

1. Article IV.E, Section 1(a) shall be amended and restated to read in its entirety as follows:

"**(a)** [Reserved]."

2. Article IV.E, Section 1(b) shall be amended and restated to read in its entirety as follows:

"**(b)** So long as any shares of Series A Preferred are outstanding, the Corporation shall not pay or declare any dividend, whether in cash or property, or make any other distribution on the Common Stock, or purchase, redeem or otherwise acquire for value any shares of Common Stock, except for:

(i) acquisitions of Common Stock by the Corporation pursuant to agreements which permit the Corporation to repurchase such shares at cost (or the lesser of cost or fair market value) upon termination of services to the Corporation; or

(ii) acquisitions of Common Stock in exercise of the Corporation's right of first refusal to repurchase such shares."

3. Article IV.E, Section 5(j) shall be amended and restated to read in its entirety as follows:

"(j) Automatic Conversion. Each share of Series A Preferred shall be automatically converted into shares of Common Stock, based on the then-effective Series A Preferred Conversion Price, immediately prior to the declaration or ordering of effectiveness of a Resale Registration Statement by the United States Securities and Exchange Commission. For the purposes hereof **"*Resale Registration Statement*"** shall mean a registration statement filed by the Corporation, or any successor to the Corporation, pursuant to the Securities Act of

1933, as amended, registering for resale by the holders thereof, all of the Common Stock issuable upon conversion of the shares of Series A Preferred outstanding as of the effective date of such Resale Registration Statement (in addition to any other securities that may be covered by such Resale Registration Statement). Upon such automatic conversion of the Series A Preferred, the outstanding shares of Series A Preferred shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; *provided, however*, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such conversion unless the certificates evidencing such shares of Series A Preferred are either delivered to the Corporation or its transfer agent as provided below, or the holder notifies the Corporation or its transfer agent that such certificates have been lost, stolen or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection with such certificates. Upon the occurrence of such automatic conversion of the Series A Preferred, the holders of Series A Preferred shall surrender the certificates representing such shares at the office of the Corporation or any transfer agent for the Series A Preferred. Thereupon, there shall be issued and delivered to such holder promptly at such office and in its name as shown on such surrendered certificate or certificates, a certificate or certificates for the number of shares of Common Stock into which the shares of Series A Preferred surrendered were convertible on the date on which such automatic conversion occurred."

FOUR: The foregoing amendments were submitted to the stockholders of the Company for their approval and were duly adopted 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, Coronado Biosciences, Inc. has caused this First Certificate of Amendment to be signed by its acting Chief Executive Officer this 20th day of May, 2011.

CORONADO BIOSCIENCES, INC.

Signature: */s/ Glenn L. Cooper, M.D.*

Print Name: Glenn L. Cooper, M.D.

Title: Chairman of the Board

Exhibit 3.3

Delaware

PAGE 1

The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF DESIGNATION OF "CORONADO BIOSCIENCES, INC.", FILED IN THIS OFFICE ON THE SEVENTH DAY OF JANUARY, A.D. 2011, AT 2:18 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE KENT COUNTY RECORDER OF DEEDS.

Jeffrey W. Bullock, Secretary of State

4183018 8100

AUTHENTICATION: 8480127

110023386

DATE: 01-07-11

You may verify this certificate online at corp.delaware.gov/authver.shtml

State of Delaware
Secretary of State
Division of Corporations
Delivered 02:23 PM 01/07/2011
FILED 02:18 PM 01/07/2011
SRV 110023386 - 4183018 FILE

CORONADO BIOSCIENCES, INC.

CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF THE SERIES B PREFERRED STOCK

Pursuant to Section 151(g) of the General Corporation Law of the State of Delaware and Article IV of the Corporation's Amended and Restated Certificate of Incorporation (the "***Certificate of Incorporation***"):

I, Glenn L. Cooper, M.D., Chief Executive Officer of Coronado Biosciences, Inc. (the "***Corporation***"), organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors of the Corporation (the "***Board***") by Article IV of the Certificate of Incorporation, the Board on January 5, 2011 adopted the following resolutions (i) decreasing the number of shares of Series A Preferred Stock (the "***Series A Preferred***") that the Corporation is authorized to issue from 10,000,000 to 5,000,000 shares and (ii) creating a series of 5,000,000 shares of Preferred Stock designated as "Series B Preferred Stock":

"**RESOLVED**, that pursuant to the authority vested in the Board in accordance with the provisions of Article IV of the Certificate of Incorporation, the authorized number of shares of the Corporation's Preferred Stock designated Series A Preferred be, and it hereby is, decreased to 5,000,000.

RESOLVED FURTHER, that the rights, preferences, privileges, restrictions and other matters relating to the Series A Preferred are as set forth in the Certificate of Incorporation.

RESOLVED FURTHER, that pursuant to the authority vested in the Board in accordance with the provisions of Article IV of the Certificate of Incorporation, a second series of Preferred Stock of the Corporation be, and it hereby is, created, and that the designation and amount thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of each such series, and the qualifications, limitations or restrictions thereof are as follows:

A. 5,000,000 of the authorized shares of Preferred Stock are hereby designated "Series B Preferred Stock" (the "***Series B Preferred***").

B. The Series B Preferred shall rank *pari passu* with the Series A Preferred and senior to the Common Stock in right of voting and liquidation, all as set forth more fully herein.

C. The rights, preferences, privileges, restrictions and other matters relating to the Series B Preferred are as follows:

1. DIVIDEND RIGHTS.

a. In the event dividends are paid on any share of Common Stock, the Corporation shall pay a dividend on all outstanding shares of Series B Preferred in a per share amount equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock.

b. The provisions of Section l(a) shall not apply to a dividend payable solely in Common Stock to which the provisions of Section 5(f) hereof are applicable.

2. VOTING RIGHTS. Each holder of shares of the Series B Preferred shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series B Preferred could be converted (pursuant to Section 5 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent and shall have voting rights and powers equal to the voting rights and powers of the Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation. Except as otherwise provided herein or as required by law, the Series B Preferred shall vote together with the Common Stock and Series A Preferred at any annual or special meeting of the stockholders (or by written consent of the stockholders in lieu of such a meeting) and not as a separate class, and may act by written consent in the same manner as the Common Stock and Series A Preferred.

3. LIQUIDATION RIGHTS.

a. Upon any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary (a ***"Liquidation Event")***, before any distribution or payment shall be made to the holders of any Common Stock, subject to the rights of any series of Preferred Stock that may from time to time come into existence, the holders of Series B Preferred shall be entitled to be paid out of the assets of the Corporation legally available for distribution for each share of Series B Preferred held by them, an amount per share of Series B Preferred equal to 1.5 times the Original Issue Price (defined below). Any such amount payable to the holders of Series B Preferred shall be paid *pari passu* with any payments to the holders of Series A Preferred pursuant to Article IV.E, Section 3(a) of the Certificate of Incorporation. If, upon any such Liquidation Event, the assets of the Corporation shall be insufficient to make payment in full to all holders of Series A Preferred and Series B Preferred of the liquidation preference set forth in Section 3 (a) of the Certificate of Incorporation or in this Section 3(a), as applicable, then such assets (or consideration) shall be distributed among the holders of Series A Preferred and Series B Preferred at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled. The *"**Original Issue Price**"* of the Series B Preferred shall be $5.59 per share (as adjusted for any stock splits, dividends and the like with respect to such shares after the filing date hereof).

b. After the payment of the full liquidation preference of the Series A Preferred and Series B Preferred set forth in Section 3(a) of the Certificate of Incorporation and in Section 3(a) above, as applicable, the assets of the Corporation legally available for distribution in such Liquidation Event (or the consideration received by the Corporation or its

stockholders in such Acquisition or Asset Transfer), if any, shall be distributed ratably to the holders of the Common Stock.

4. ASSET TRANSFER OR ACQUISITION RIGHTS.

a. In the event that the Corporation is a party to an Acquisition or Asset Transfer (as hereinafter defined), then each holder of Series B Preferred shall be entitled to receive, for each share of Series B Preferred then held, out of the proceeds of such Acquisition or Asset Transfer, the amount of cash, securities or other property to which such holder would be entitled to receive in a Liquidation Event pursuant to Section 3(a) above. Any such amount payable to the holders of Series B Preferred shall be paid *pari passu* with any payments to the holders of Series A Preferred pursuant to Article IV.E, Section 4(a) of the Certificate of Incorporation.

b. For the purposes of this Section 4: (i) ***"Acquisition"*** shall mean (A) any transaction or series of related transactions with one or more non-affiliates of the Corporation, pursuant to which such party or parties acquire capital stock of the Corporation or the surviving entity possessing the voting power to elect a majority of the board of directors of the Corporation or the surviving entity (whether by merger, consolidation, sale or transfer of the Corporation's capital stock or otherwise); provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Corporation or any successor or indebtedness of the Corporation is cancelled or converted or a combination thereof; and (ii) ***"Asset Transfer"*** shall mean any transaction or series of related transactions that results in a sale, lease, transfer or other disposition of all or substantially all of the assets of the Corporation determined on a consolidated basis.

c. In any Acquisition or Asset Transfer, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board on the date such determination is made.

5. CONVERSION RIGHTS.

The holders of the Series B Preferred shall have the following rights and restrictions with respect to the conversion of the Series B Preferred into shares of Common Stock (the ***"Conversion Rights"):***

a. Optional Conversion. Subject to and in compliance with the provisions of this Section 5, any shares of Series B Preferred may, at the option of the holder, be converted at any time into fully-paid and nonassessable shares of Common Stock. The number of shares of Common Stock to which a holder of Series B Preferred shall be entitled upon conversion shall be the product obtained by multiplying the Series B Preferred Conversion Rate then in effect (determined as provided in Section 5(b)) by the number of shares of Series B Preferred being converted.

b. Series B Preferred Conversion Rate. The conversion rate in effect at any time for conversion of the Series B Preferred (the ***"Series B Preferred Conversion***

Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series B Preferred by the Series B Preferred Conversion Price, calculated as provided in Section 5(c).

c. Series B Preferred Conversion Price. The conversion price for the Series B Preferred shall initially be the Original Issue Price of the Series B Preferred (the ***"Series B Preferred Conversion Price").*** Such initial Series B Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5. All references to the Series B Preferred Conversion Price herein shall mean the Series B Preferred Conversion Price as so adjusted.

d. Mechanics of Conversion. Each holder of Series B Preferred who desires to convert the same into shares of Common Stock pursuant to this Section 5 shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or any transfer agent for the Series B Preferred, and shall give written notice to the Corporation at such office that such holder elects to convert the same. Such notice shall state the number of shares of Series B Preferred being converted. Thereupon, the Corporation shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of Common Stock to which such holder is entitled and shall promptly pay in cash (at the Common Stock's fair market value determined by the Board as of the date of conversion) the value of any fractional share of Common Stock otherwise issuable to any holder of Series B Preferred. Such conversion shall be deemed to have been made at the close of business on the date of such surrender of the certificates representing the shares of Series B Preferred to be converted, and the person entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Common Stock on such date.

e. Adjustment for Stock Splits and Combinations. If at any time or from time to time on or after the date that the first share of Series B Preferred is issued (the ***"Original Issue Date")*** the Corporation effects a subdivision of the outstanding Common Stock, the Series B Preferred Conversion Price in effect immediately before that subdivision shall be proportionately decreased. Conversely, if at any time or from time to time after the Original Issue Date the Corporation combines the outstanding shares of Common Stock into a smaller number of shares, the Series B Preferred Conversion Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 5(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.

f. Adjustment for Common Stock Dividends and Distributions. If at any time or from time to time on or after the Original Issue Date the Corporation pays to holders of Common Stock a dividend or other distribution in additional shares of Common Stock, the Series B Preferred Conversion Price then in effect shall be decreased as of the time of such issuance, as provided below:

(i) The Series B Preferred Conversion Price shall be adjusted by multiplying the Series B Preferred Conversion Price then in effect by a fraction equal to:

(a) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance, and

(b) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

(ii) If the Corporation fixes a record date to determine which holders of Common Stock are entitled to receive such dividend or other distribution, the Series B Preferred Conversion Price shall be fixed as of the close of business on such record date and the number of shares of Common Stock shall be calculated immediately prior to the close of business on such record date; and

(iii) If such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series B Preferred Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series B Preferred Conversion Price shall be adjusted pursuant to this Section 5(f) to reflect the actual payment of such dividend or distribution.

g. Adjustment for Rectification, Exchange, Substitution, Reorganization, Merger or Consolidation. If at any time or from time to time on or after the Original Issue Date the Common Stock issuable upon the conversion of the Series B Preferred is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification, merger, consolidation or otherwise (other than an Acquisition or Asset Transfer as defined in Section 4 or a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5), in any such event each holder of Series B Preferred shall then have the right to convert Series B Preferred into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification, merger, consolidation or other change by holders of the maximum number of shares of Common Stock into which such shares of Series B Preferred could have been converted immediately prior to such recapitalization, reclassification, merger, consolidation or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the holders of Series B Preferred after the capital reorganization to the end that the provisions of this Section 5 (including adjustment of the Series B Preferred Conversion Price then in effect and the number of shares issuable upon conversion of the Series B Preferred) shall be applicable after that event and be as nearly equivalent as practicable.

h. Certificate of Adjustment. In each case of an adjustment or readjustment of the Series B Preferred Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Series B Preferred, if the Series B Preferred is then convertible pursuant to this Section 5, the Corporation, at its expense, shall compute such adjustment or readjustment in accordance with the provisions hereof and shall, upon request, prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first class mail, postage prepaid, to each registered holder of Series B Preferred so requesting at the holder's address as shown in the Corporation's books. Failure to request or provide such notice shall have no effect on any such adjustment.

i. Notices of Record Date. Upon (i) any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend, distribution or other right, or (ii) any Acquisition (as defined in Section 4) or other capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation with or into any other corporation, or any Asset Transfer (as defined in Section 4), or any voluntary or involuntary dissolution, liquidation or winding up of the Corporation, the Corporation shall mail to each holder of Series B Preferred at least 10 days prior to (x) the record date, if any, specified therein; or (y) if no record date is specified, the date upon which such action is to take effect (or, in either case, such shorter period approved by the holders of a majority of the outstanding Series B Preferred) a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend or distribution and a description of such dividend or distribution, (B) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up is expected to become effective, (C) the date, if any, that is to be fixed as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up. and (D) in the case of an Acquisition or Asset Transfer, a notice signed by an officer of the Corporation setting forth the consideration to be received by the holder from the purchaser or to be distributed to the holder by the Corporation, as applicable, on a per share basis (i) without conversion of the Series B Preferred into Common Stock and (ii) assuming conversion of all Series A Preferred and Series B Preferred into Common Stock.

j. Automatic Conversion. Each share of Series B Preferred shall be automatically converted into shares of Common Stock, based on the then-effective Series B Preferred Conversion Price, concurrently with the automatic conversion of the Series A Preferred pursuant to Article IV. E., Section 5(j) of the Certificate of Incorporation.

k. Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of Series B Preferred. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series B Preferred by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of any fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the fair market value of one share of Common Stock (as determined by the Board) on the date of conversion.

l. Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series B Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series B Preferred. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series B Preferred, the Corporation will take

such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

m. Notices. Any notice required by the provisions of this Section 5 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with verification of receipt. All notices shall be addressed to each holder of record at the address of such holder appearing on the books of the Corporation.

n. Payment of Taxes. The Corporation will pay all taxes (other than taxes based upon income) and other governmental charges that may be imposed with respect to the issue or delivery of shares of Common Stock upon conversion of shares of Series B Preferred, excluding any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the shares of Series B Preferred so converted were registered."

IN WITNESS WHEREOF, Coronado Biosciences, Inc. has caused this Certificate of Designation, Preferences and Rights of the Terms of the Series B Preferred Stock to be executed by its Chief Executive Officer this 7th day of January, 2011.

/s/ Glenn L. Cooper, M.D.
Glenn L. Cooper, M.D., Chief Executive Officer

[SIGNATURE PAGE TO CERTIFICATE OF DESIGNATION]

CORONADO BIOSCIENCES, INC.

CERTIFICATE OF DESIGNATION
OF THE SERIES B PREFERRED STOCK

Pursuant to Section 151(g) of the General Corporation Law of the State of Delaware and Article IV of the Corporation's Amended and Restated Certificate of Incorporation (the ***"Certificate of Incorporation"***):

I, Bobby W. Sandage, Jr. Ph.D., Chief Executive Officer of Coronado Biosciences, Inc. (the ***"Corporation"***), organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors of the Corporation (the ***"Board"***) by Article IV of the Certificate of Incorporation, the Board on June 29, 2011 adopted the following resolution decreasing the number of shares of Series B Preferred Stock (the ***"Series B Preferred"***) that the Corporation is authorized to issue from 5,000,000 to 4,800,000 shares:

"RESOLVED, that pursuant to the authority vested in the Board in accordance with the provisions of Article IV of the Certificate of Incorporation, the authorized number of shares of the Corporation's Preferred Stock designated Series B Preferred be, and it hereby is, decreased to 4,800,000.

RESOLVED FURTHER, that the rights, preferences, privileges, restrictions and other matters relating to the Series B Preferred are as set forth in the Certificate of Incorporation, as amended by the Certificate of Designation, Preferences and Rights of the Series B Preferred Stock filed on January 7, 2011."

IN WITNESS WHEREOF, Coronado Biosciences, Inc. has caused this Certificate of Designation of the Series B Preferred Stock to be executed by its Chief Executive Officer this 29th day of June, 2011.

/s/ Bobby W. Sandage, Jr.
Bobby W. Sandage, Jr. Ph.D., Chief Executive Officer

[SIGNATURE PAGE TO CERTIFICATE OF DESIGNATION]

CORONADO BIOSCIENCES, INC.

CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF THE SERIES C PREFERRED STOCK

Pursuant to Section 151(g) of the General Corporation Law of the State of Delaware and Article IV of the Corporation's Amended and Restated Certificate of Incorporation (the ***"Certificate of Incorporation"***):

I, Bobby W. Sandage, Jr., Ph.D., Chief Executive Officer of Coronado Biosciences, Inc. (the ***"Corporation"***), organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors of the Corporation (the ***"Board"***) by Article IV of the Certificate of Incorporation, the Board on May 19, 2011 adopted the following resolution creating a series of 5,000,000 shares of Preferred Stock designated as "Series C Preferred Stock":

"**RESOLVED,** that pursuant to the authority vested in the Board in accordance with the provisions of Article IV of the Certificate of Incorporation, a third series of Preferred Stock of the Corporation be, and it hereby is, created, and that the designation and amount thereof and the voting powers, preferences and relative, participating, optional and other special rights of the shares of each such series, and the qualifications, limitations or restrictions thereof are as follows:

A. 5,000,000 of the authorized shares of Preferred Stock are hereby designated "Series C Preferred Stock" (the ***"Series C Preferred"***).

B. The Series C Preferred shall rank *pari passu* with the Series A Preferred Stock (the ***"Series A Preferred"***) and Series B Preferred Stock (the ***"Series B Preferred"***) and senior to the Common Stock in right of voting and liquidation, all as set forth more fully herein.

C. The rights, preferences, privileges, restrictions and other matters relating to the Series C Preferred are as follows:

1. DIVIDEND RIGHTS.

a. In the event dividends are paid on any share of Common Stock, the Corporation shall pay a dividend on all outstanding shares of Series C Preferred in a per share amount equal (on an as-if-converted to Common Stock basis) to the amount paid or set aside for each share of Common Stock.

b. The provisions of Section 1(a) shall not apply to a dividend payable solely in Common Stock to which the provisions of Section 5(f) hereof are applicable.

2. VOTING RIGHTS. Each holder of shares of the Series C Preferred shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series C Preferred could be converted (pursuant to Section 5 hereof) immediately after the close of business on the record date fixed for such meeting or the effective date of such written consent and shall have voting rights and powers equal to the voting rights and powers of the Common Stock and shall be entitled to notice of any stockholders' meeting in accordance with the bylaws of the Corporation. Except as otherwise provided herein or as required by law, the Series C Preferred shall vote together with the Common Stock, Series A Preferred and Series B Preferred at any annual or special meeting of the stockholders (or by written consent of the stockholders in lieu of such a meeting) and not as a separate class, and may act by written consent in the same manner as the Common Stock, Series A Preferred and Series B Preferred.

3. LIQUIDATION RIGHTS.

a. Upon any liquidation, dissolution, or winding up of the Corporation, whether voluntary or involuntary (a ***"Liquidation Event"***), before any distribution or payment shall be made to the holders of any Common Stock, subject to the rights of any series of Preferred Stock that may from time to time come into existence, the holders of Series C Preferred shall be entitled to be paid out of the assets of the Corporation legally available for distribution for each share of Series C Preferred held by them, an amount per share of Series C Preferred equal to 1.5 times the Original Issue Price (defined below). Any such amount payable to the holders of Series C Preferred shall be paid *pari passu* with any payments to the holders of Series A Preferred and Series B Preferred pursuant to Article IV.E, Section 3(a) of the Certificate of Incorporation and Section 3(a) of the Certificate of Designation, Preferences and Rights of the Series B Preferred Stock (the ***"Series B Certificate of Designation"***), as applicable. If, upon any such Liquidation Event, the assets of the Corporation shall be insufficient to make payment in full to all holders of Series A Preferred, Series B Preferred and Series C Preferred of the liquidation preference set forth in Section 3(a) of the Certificate of Incorporation, Section 3(a) of the Series B Certificate of Designation or in this Section 3(a), as applicable, then such assets (or consideration) shall be distributed among the holders of Series A Preferred, Series B Preferred and Series C Preferred at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled. The ***"Original Issue Price"*** of the Series C Preferred shall be $5.59 per share (as adjusted for any stock splits, dividends and the like with respect to such shares after the filing date hereof).

b. After the payment of the full liquidation preference of the Series A Preferred, Series B Preferred and Series C Preferred set forth in Section 3(a) of the Certificate of Incorporation, Section 3(a) of the Series B Certificate of Designation and in Section 3(a) above, as applicable, the assets of the Corporation legally available for distribution in such Liquidation Event (or the consideration received by the Corporation or its stockholders in such Acquisition or Asset Transfer), if any, shall be distributed ratably to the holders of the Common Stock.

4. ASSET TRANSFER OR ACQUISITION RIGHTS.

a. In the event that the Corporation is a party to an Acquisition or Asset Transfer (as hereinafter defined), then each holder of Series C Preferred shall be entitled to receive, for each share of Series C Preferred then held, out of the proceeds of such Acquisition or Asset Transfer, the amount of cash, securities or other property to which such holder would be entitled to receive in a Liquidation Event pursuant to Section 3(a) above. Any such amount

payable to the holders of Series C Preferred shall be paid *pari passu* with any payments to the holders of Series A Preferred and Series B Preferred pursuant to Article IV.E, Section 4(a) of the Certificate of Incorporation and Section 4(a) of the Series B Certificate of Designation, as applicable.

b. For the purposes of this Section 4: (i) ***"Acquisition"*** shall mean (A) any transaction or series of related transactions with one or more non-affiliates of the Corporation, pursuant to which such party or parties acquire capital stock of the Corporation or the surviving entity possessing the voting power to elect a majority of the board of directors of the Corporation or the surviving entity (whether by merger, consolidation, sale or transfer of the Corporation's capital stock or otherwise); provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Corporation or any successor or indebtedness of the Corporation is cancelled or converted or a combination thereof; and (ii) ***"Asset Transfer"*** shall mean any transaction or series of related transactions that results in a sale, lease, transfer or other disposition of all or substantially all of the assets of the Corporation determined on a consolidated basis.

c. In any Acquisition or Asset Transfer, if the consideration to be received is securities of a corporation or other property other than cash, its value will be deemed its fair market value as determined in good faith by the Board on the date such determination is made.

5. CONVERSION RIGHTS.

The holders of the Series C Preferred shall have the following rights and restrictions with respect to the conversion of the Series C Preferred into shares of Common Stock (the ***"Conversion Rights"***):

a. Optional Conversion. Subject to and in compliance with the provisions of this Section 5, any shares of Series C Preferred may, at the option of the holder, be converted at any time into fully-paid and nonassessable shares of Common Stock. The number of shares of Common Stock to which a holder of Series C Preferred shall be entitled upon conversion shall be the product obtained by multiplying the Series C Preferred Conversion Rate then in effect (determined as provided in Section 5(b)) by the number of shares of Series C Preferred being converted.

b. Series C Preferred Conversion Rate. The conversion rate in effect at any time for conversion of the Series C Preferred (the ***"Series C Preferred Conversion Rate"***) shall be the quotient obtained by dividing the Original Issue Price of the Series C Preferred by the Series C Preferred Conversion Price, calculated as provided in Section 5(c).

c. Series C Preferred Conversion Price. The conversion price for the Series C Preferred shall initially be the Original Issue Price of the Series C Preferred (the ***"Series C Preferred Conversion Price"***). Such initial Series C Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5. All references to the Series C Preferred Conversion Price herein shall mean the Series C Preferred Conversion Price as so adjusted.

d. Mechanics of Conversion. Each holder of Series C Preferred who desires to convert the same into shares of Common Stock pursuant to this Section 5 shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or any transfer agent for the Series C Preferred, and shall give written notice to the Corporation at such office that such holder elects to convert the same. Such notice shall state the number of shares of Series C Preferred being converted. Thereupon, the Corporation shall promptly issue and deliver at such office to such holder a certificate or certificates for the number of shares of Common Stock to which such holder is entitled and shall promptly pay in cash (at the Common Stock's fair market value determined by the Board as of the date of conversion) the value of any fractional share of Common Stock otherwise issuable to any holder of Series C Preferred. Such conversion shall be deemed to have been made at the close of business on the date of such surrender of the certificates representing the shares of Series C Preferred to be converted, and the person entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder of such shares of Common Stock on such date.

e. Adjustment for Stock Splits and Combinations. If at any time or from time to time on or after the date that the first share of Series C Preferred is issued (the ***"Original Issue Date"***) the Corporation effects a subdivision of the outstanding Common Stock, the Series C Preferred Conversion Price in effect immediately before that subdivision shall be proportionately decreased. Conversely, if at any time or from time to time after the Original Issue Date the Corporation combines the outstanding shares of Common Stock into a smaller number of shares, the Series C Preferred Conversion Price in effect immediately before the combination shall be proportionately increased. Any adjustment under this Section 5(e) shall become effective at the close of business on the date the subdivision or combination becomes effective.

f. Adjustment for Common Stock Dividends and Distributions. If at any time or from time to time on or after the Original Issue Date the Corporation pays to holders of Common Stock a dividend or other distribution in additional shares of Common Stock, the Series C Preferred Conversion Price then in effect shall be decreased as of the time of such issuance, as provided below:

(i) The Series C Preferred Conversion Price shall be adjusted by multiplying the Series C Preferred Conversion Price then in effect by a fraction equal to:

(a) the numerator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance, and

(b) the denominator of which is the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance plus the number of shares of Common Stock issuable in payment of such dividend or distribution;

(ii) If the Corporation fixes a record date to determine which holders of Common Stock are entitled to receive such dividend or other distribution, the Series C Preferred Conversion Price shall be fixed as of the close of business on such record date and the number of shares of Common Stock shall be calculated immediately prior to the close of business on such record date; and

(iii) If such record date is fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series C Preferred Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series C Preferred Conversion Price shall be adjusted pursuant to this Section 5(f) to reflect the actual payment of such dividend or distribution.

g. Adjustment for Reclassification, Exchange, Substitution, Reorganization, Merger or Consolidation. If at any time or from time to time on or after the Original Issue Date the Common Stock issuable upon the conversion of the Series C Preferred is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification, merger, consolidation or otherwise (other than an Acquisition or Asset Transfer as defined in Section 4 or a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5), in any such event each holder of Series C Preferred shall then have the right to convert Series C Preferred into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification, merger, consolidation or other change by holders of the maximum number of shares of Common Stock into which such shares of Series C Preferred could have been converted immediately prior to such recapitalization, reclassification, merger, consolidation or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof. In any such case, appropriate adjustment shall be made in the application of the provisions of this Section 5 with respect to the rights of the holders of Series C Preferred after the capital reorganization to the end that the provisions of this Section 5 (including adjustment of the Series C Preferred Conversion Price then in effect and the number of shares issuable upon conversion of the Series C Preferred) shall be applicable after that event and be as nearly equivalent as practicable.

h. Certificate of Adjustment. In each case of an adjustment or readjustment of the Series C Preferred Conversion Price for the number of shares of Common Stock or other securities issuable upon conversion of the Series C Preferred, if the Series C Preferred is then convertible pursuant to this Section 5, the Corporation, at its expense, shall compute such adjustment or readjustment in accordance with the provisions hereof and shall, upon request, prepare a certificate showing such adjustment or readjustment, and shall mail such certificate, by first class mail, postage prepaid, to each registered holder of Series C Preferred so requesting at the holder's address as shown in the Corporation's books. Failure to request or provide such notice shall have no effect on any such adjustment.

i. Notices of Record Date. Upon (i) any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend, distribution or other right, or (ii) any Acquisition (as defined in Section 4) or other capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or

consolidation of the Corporation with or into any other corporation, or any Asset Transfer (as defined in Section 4), or any voluntary or involuntary dissolution, liquidation or winding up of the Corporation, the Corporation shall mail to each holder of Series C Preferred at least 10 days prior to (x) the record date, if any, specified therein; or (y) if no record date is specified, the date upon which such action is to take effect (or, in either case, such shorter period approved by the holders of a majority of the outstanding Series C Preferred) a notice specifying (A) the date on which any such record is to be taken for the purpose of such dividend or distribution and a description of such dividend or distribution, (B) the date on which any such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up is expected to become effective, (C) the date, if any, that is to be fixed as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such Acquisition, reorganization, reclassification, transfer, consolidation, merger, Asset Transfer, dissolution, liquidation or winding up, and (D) in the case of an Acquisition or Asset Transfer, a notice signed by an officer of the Corporation setting forth the consideration to be received by the holder from the purchaser or to be distributed to the holder by the Corporation, as applicable, on a per share basis (i) without conversion of the Series C Preferred into Common Stock and (ii) assuming conversion of all Series A Preferred, Series B Preferred and Series C Preferred into Common Stock.

j. Automatic Conversion. Each share of Series C Preferred shall be automatically converted into shares of Common Stock, based on the then-effective Series C Preferred Conversion Price, immediately prior to the declaration or ordering of effectiveness of a Resale Registration Statement by the United States Securities and Exchange Commission. For the purposes hereof **"*Resale Registration Statement*"** shall mean a registration statement filed by the Corporation, or any successor to the Corporation, pursuant to the Securities Act of 1933, as amended, registering for resale by the holders thereof, all of the Common Stock issuable upon conversion of the shares of Series C Preferred outstanding as of the effective date of such Resale Registration Statement (in addition to any other securities that may be covered by such Resale Registration Statement).

k. Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of Series C Preferred. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series C Preferred by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of any fractional share, the Corporation shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the fair market value of one share of Common Stock (as determined by the Board) on the date of conversion.

l. Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series C Preferred, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series C Preferred. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the

conversion of all then outstanding shares of the Series C Preferred, the Corporation will take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose.

m. Notices. Any notice required by the provisions of this Section 5 shall be in writing and shall be deemed effectively given: (i) upon personal delivery to the party to be notified, (ii) when sent by confirmed electronic mail or facsimile if sent during normal business hours of the recipient; if not, then on the next business day, (iii) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with verification of receipt. All notices shall be addressed to each holder of record at the address of such holder appearing on the books of the Corporation.

n. Payment of Taxes. The Corporation will pay all taxes (other than taxes based upon income) and other governmental charges that may be imposed with respect to the issue or delivery of shares of Common Stock upon conversion of shares of Series C Preferred, excluding any tax or other charge imposed in connection with any transfer involved in the issue and delivery of shares of Common Stock in a name other than that in which the shares of Series C Preferred so converted were registered."

IN WITNESS WHEREOF, Coronado Biosciences, Inc. has caused this Certificate of Designation, Preferences and Rights of the Terms of the Series C Preferred Stock to be executed by its Chief Executive Officer this 26th day of May, 2011.

/s/ Bobby W. Sandage

Bobby W. Sandage, Jr., Ph.D., Chief Executive Officer

[SIGNATURE PAGE TO CERTIFICATE OF DESIGNATION]

CORONADO BIOSCIENCES, INC.

CERTIFICATE OF DESIGNATION
OF THE SERIES C PREFERRED STOCK

Pursuant to Section 151(g) of the General Corporation Law of the State of Delaware and Article IV of the Corporation's Amended and Restated Certificate of Incorporation (the ***"Certificate of Incorporation"***):

I, Bobby W. Sandage, Jr. Ph.D., Chief Executive Officer of Coronado Biosciences, Inc. (the ***"Corporation"***), organized and existing under the General Corporation Law of the State of Delaware, in accordance with the provisions of Section 103 thereof, DO HEREBY CERTIFY:

That pursuant to the authority conferred upon the Board of Directors of the Corporation (the ***"Board"***) by Article IV of the Certificate of Incorporation, the Board on June 29, 2011 adopted the following resolution increasing the number of shares of Series C Preferred Stock (the ***"Series C Preferred"***) that the Corporation is authorized to issue from 5,000,000 to 5,200,000 shares:

"RESOLVED, that pursuant to the authority vested in the Board in accordance with the provisions of Article IV of the Certificate of Incorporation, the authorized number of shares of the Corporation's Preferred Stock designated Series C Preferred be, and it hereby is, increased to 5,200,000.

RESOLVED FURTHER, that the rights, preferences, privileges, restrictions and other matters relating to the Series C Preferred are as set forth in the Certificate of Incorporation, as amended by the Certificate of Designation, Preferences and Rights of the Series C Preferred Stock filed on May 26, 2011."

IN WITNESS WHEREOF, Coronado Biosciences, Inc. has caused this Certificate of Designation of the Series C Preferred Stock to be executed by its Chief Executive Officer this 29th day of June, 2011.

/s/ Bobby W. Sandage, Jr.
Bobby W. Sandage, Jr. Ph.D.,
Chief Executive Officer

[SIGNATURE PAGE TO CERTIFICATE OF DESIGNATION]

Exhibit 3.6

AMENDED AND RESTATED

BYLAWS

OF

CORONADO BIOSCIENCES, INC.

- A Delaware Corporation -

AMENDED AND RESTATED BY-LAWS

OF

CORONADO BIOSCIENCES, INC.

ARTICLE I
OFFICES

SECTION 1. Principal Office. The registered office of the corporation shall be located in such place as may be provided from time to time in the Certificate of Incorporation.

SECTION 2. Other Offices. The corporation may also have offices at such other places both within and without the State of Delaware as the board of directors may from time to time determine or as the business of the corporation may require.

ARTICLE II
STOCKHOLDERS

SECTION 1. Annual Meetings. The annual meeting of the stockholders of the corporation shall be held wholly or partially by means of remote communication or at such place, within or without the State of Delaware, on such date and at such time as may be determined by the board of directors and as shall be designated in the notice of said meeting.

SECTION 2. Special Meetings. Special meetings of the stockholders for any purpose or purposes, unless otherwise prescribed by statute or by the Certificate of Incorporation, may be held wholly or partially by means of remote communication or at any place, within or without the State of Delaware, and may be called by resolution of the board of directors, or by the Chairman or the President.

SECTION 3. Notice and Purpose of Meetings. Written or printed notice of the meeting stating the place, day and hour of the meeting and, in case of a special meeting, stating the purpose or purposes for which the meeting is called, and in case of a meeting held by remote communication stating such means, shall be delivered not less than ten nor more than sixty days before the date of the meeting, either personally, or by mail, or if prior consent has been received by a stockholder by electronic transmission, by or at the direction of the Chairman or the President, the Secretary, or the persons calling the meeting, to each stockholder of record entitled to vote at such meeting.

SECTION 4. Quorum. The holders of a majority of the shares of capital stock issued and outstanding and entitled to vote, represented in person or by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business, except as otherwise provided by statute or by the Certificate of Incorporation. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the stockholders present in person or

represented by proxy shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

SECTION 5. Voting Process. If a quorum is present or represented, the affirmative vote of a majority of the shares of stock present or represented at the meeting, by ballot, proxy or electronic ballot, shall be the act of the stockholders unless the vote of a greater number of shares of stock is required by law, by the Certificate of Incorporation or by these by-laws. Each outstanding share of stock having voting power, shall be entitled to one vote on each matter submitted to a vote at a meeting of stockholders. A shareholder may vote either in person, by proxy executed in writing by the stockholder or by his duly authorized attorney-in-fact, or by an electronic ballot from which it can be determined that the ballot was authorized by a stockholder or proxyholder. The term, validity and enforceability of any proxy shall be determined in accordance with the General Corporation Law of the State of Delaware.

SECTION 6. Written Consent of Stockholders Without a Meeting. Whenever the stockholders are required or permitted to take any action by vote, such action may be taken without a meeting, without prior notice and without a vote, if a written consent or electronic transmission, setting forth the action so taken, shall be signed or e-mailed 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 called for such purpose.

ARTICLE III
DIRECTORS

SECTION 1. Powers. The business affairs of the corporation shall be managed by its board of directors, which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Certificate of Incorporation or by these by-laws directed or required to be exercised or done by the stockholders. The board of directors may adopt such rules and regulations, not inconsistent with the Certificate of Incorporation or these By-Laws or applicable laws, as it may deem proper for the conduct of its meetings and the management of the Corporation.

SECTION 2. Number, Qualifications, Term. The board of directors shall consist of one or more members. The number of directors shall be fixed by the board of directors and may thereafter be changed from time to time by resolution of the board of directors. Directors need not be residents of the State of Delaware nor stockholders of the corporation.

SECTION 3. Vacancies. Vacancies and newly created directorships resulting from any increase in the number of directors may be filled by a majority of the directors then in office, though less than a quorum, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify. A vacancy created by the removal of a director by the stockholders may be filled by the stockholders.

SECTION 4. Place of Meetings. Meetings of the board of directors, regular or special, may be held either within or without the State of Delaware.

SECTION 5. First Meeting. The first meeting of each newly elected board of directors shall be held immediately following and at the place of the annual meeting of stockholders and no other notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present, or it may convene at such place and time as shall be fixed by the consent in writing of all the directors.

SECTION 6. Regular Meetings. Regular meetings of the board of directors may be held upon such notice, or without notice, and at such time and at such place as shall from time to time be determined by the board.

SECTION 7. Special Meetings. Special meetings of the board of directors may be called by the Chairman or the President or by the number of directors who then legally constitute a quorum. Notice of the time and place of all special meetings of the board of directors shall be orally or in writing, by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, facsimile, telegraph or telex, or by electronic mail or other electronic means, during normal business hours, at least 24 hours before the date and time of the meeting. If notice is sent by U.S. mail, it shall be sent by first class mail, charges prepaid, at least three days before the date of the meeting.

SECTION 8. Notice; Waiver. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

SECTION 9. Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business unless a greater number is required by law, by the Certificate of Incorporation or by these by-laws. If a quorum shall not be present at any meeting of directors, the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

SECTION 10. Action Without A Meeting. Any action required or permitted to be taken at a meeting of the directors may be taken without a meeting if a consent in writing or by electronic transmission, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof. In addition, meetings of the board may be held by means of conference telephone or voice communication as permitted by the General Corporation Law of the State of Delaware.

SECTION 11. Action. Except as otherwise provided by law or in the Certificate of Incorporation or these by-laws, if a quorum is present, the affirmative vote of a majority of the members of the board of directors will be required for any action.

SECTION 12. Removal of Directors. Subject to any provisions of applicable law, any or all of the directors may be removed by vote of the stockholders.

ARTICLE IV
COMMITTEES

SECTION 1. Executive Committee. The board may, by resolution adopted by a majority of the whole board, designate one or more of its members to constitute members or alternate members of an Executive Committee.

SECTION 2. Powers and Authority of Executive Committee. The Executive Committee shall have and may exercise, between meetings of the Board, all the powers and authority of the Board in the management of the business and affairs of the Company, including, the right to authorize the purchase of stock, except that the Executive Committee shall not have such power or authority in reference to amending the Certificate of Incorporation; adopting an agreement of merger or consolidation; recommending to the stockholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets; recommending to the stockholders a dissolution of the Corporation or a revocation of a dissolution, or amending the by-laws of the Corporation or authorizing the declaration of a dividend.

SECTION 3. Other Committees. The Board may, by resolution adopted by a majority of the whole Board, designate one or more other committees, each of which shall, except as otherwise prescribed by law, have such authority of the Board as shall be specified in the resolution of the Board designating such committee. A majority of all the members of such committee may determine its action and fix the time and place of its meeting, unless the Board shall otherwise provide. The Board shall have the power at any time to change the membership of, to fill all vacancies in and to discharge any such committee, either with or without cause.

SECTION 4. Procedure; Meetings; Quorum. Regular meetings of the Executive Committee or any other committee of the Board, of which no notice shall be necessary, may be held at such times and places as shall be fixed by resolution adopted by a majority of the members thereof. Special meetings of the Executive Committee or any other committee of the Board shall be called at the request of any member thereof. So far as applicable, the provisions of Article III of these By-laws relating to notice, quorum and voting requirements applicable to meetings of the Board shall govern meetings of the Executive Committee or any other committee of the Board. The Executive Committee and each other committee of the Board shall keep written minutes of its proceedings and circulate summaries of such written minutes to the Board before or at the next meeting of the Board.

ARTICLE V
OFFICERS

SECTION 1. Number. The board of directors at its first meeting after each annual meeting of stockholders shall choose a President, a Secretary and a Treasurer, none of whom need be a member of the board. The board of directors may also choose a Chairman from among the directors, one or more Executive Vice Presidents, one or more Vice Presidents, Assistant Secretaries and Assistant Treasurers. The board of directors may appoint such other officers and agents as it shall deem necessary, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the board of directors. More than two offices may be held by the same person.

SECTION 2. Compensation. The salaries or other compensation of all officers of the corporation shall be fixed by the board of directors. No officer shall be prevented from receiving a salary or other compensation by reason of the fact that he is also a director.

SECTION 3. Term; Removal; Vacancy. The officers of the corporation shall hold office until their successors are chosen and qualify. Any officer may be removed at any time, with or without cause, by the affirmative vote of a majority of the whole board of directors. Any vacancy occurring in any office of the corporation shall be filled by the board of directors.

SECTION 4. Chairman. The Chairman shall, if one be elected, preside at all meetings of the board of directors.

SECTION 5. President. The President shall be the Chief Executive Officer of the corporation, shall preside at all meetings of the stockholders and the board of directors in the absence of the Chairman, shall have general supervision over the business of the corporation and shall see that all directions and resolutions of the board of directors are carried into effect.

SECTION 6. Vice President. The Executive Vice Presidents shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe. If there shall be more than one Executive Vice President, the Executive Vice Presidents shall perform such duties and exercise such powers in the absence or disability of the President, in the order determined by the board of directors. The Vice Presidents shall, in the absence or disability of the President and of the Executive Vice Presidents, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe. If there shall be more than one vice president, the vice presidents shall perform such duties and exercise such powers in the absence or disability of the President and of the Executive Vice President, in the order determined by the board of directors.

SECTION 7. Secretary. The Secretary shall attend all meetings of the board of directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and of the board of directors in a book to be kept for that purpose. He shall give, or cause to be given, notice of all meetings of the stockholders and special meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors or President, under whose supervision he shall be. He shall have custody of the corporate seal of the corporation and he, or an assistant secretary, shall have the authority to affix the same to an instrument requiring it and when so affixed, it may be attested by his signature or by the signature of such assistant secretary. The board of directors may give general authority to any other officer to affix the seal of the corporation and to attest the affixing by his signature.

SECTION 8. Assistant Secretary. The Assistant Secretary, if there shall be one, or if there shall be more than one, the assistant secretaries in the order determined by the board of directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such powers as the board of directors may from time to time prescribe.

SECTION 9. Treasurer. The Treasurer or Chief Financial Officer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors. He shall disburse the funds of the corporation as may be ordered by the board of directors, taking proper vouchers for such disbursements, and shall render to the Chairman, the President and the board of directors, at its regular meetings, or when the board of directors so requires, an account of all of his transactions as Treasurer and of the financial condition of the corporation.

SECTION 10. Assistant Treasurer. The Assistant Treasurer, if there shall be one, or, if there shall be more than one, the Assistant Treasurers in the order determined by the board of directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the board of directors may from time to time prescribe.

ARTICLE VI
CAPITAL STOCK

SECTION 1. Form. The shares of the capital stock of the corporation shall be represented by certificates in such form as shall be approved by the board of directors and shall be signed by the Chairman, the President, an Executive Vice President or a Vice President, and by the Treasurer or an assistant treasurer or the Secretary or an Assistant Secretary of the corporation, and may be sealed with the seal of the corporation or a facsimile thereof.

SECTION 2. Lost and Destroyed Certificates. The board of directors may direct a new certificate to be issued in place of any certificate theretofore issued by the corporation alleged to have been lost or destroyed. When authorizing such issue of a new certificate, the board of directors, in its discretion and as a condition precedent to the issuance thereof, may prescribe such terms and conditions as it deems expedient, and may require such indemnities as it deems adequate, to protect the corporation from any claim that may be made against it with respect to any such certificate alleged to have been lost or destroyed.

SECTION 3. Transfer of Shares. Upon surrender to the corporation or the transfer agent of the corporation of a certificate representing shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, a new certificate shall be issued to the person entitled thereto, and the old certificate cancelled and the transaction recorded upon the books of the corporation.

ARTICLE VII
INDEMNIFICATION

SECTION 1. (a) The Corporation shall indemnify, subject to the requirements of subsection (d) of this Section, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he 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 corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

(b) The Corporation shall indemnify, subject to the requirements of subsection (d) of this Section, any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he 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 corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery of the State of Delaware or such other court shall deem proper.

(c) To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in subsections (a) and (b) of this Section, or in defense of any claim, issue or matter therein, the Corporation shall indemnify him against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Any indemnification under subsections (a) and (b) of this Section (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in subsections (a) and (b) of this Section. Such determination shall be made (1) by the board of directors by a majority

vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Expenses incurred by a director, officer, employee or agent in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Section. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

(f) The indemnification and advancement of expenses provided by, or granted pursuant to, the other subsections of this Section shall not limit the Corporation from providing any other indemnification or advancement of expenses permitted by law nor shall they be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

(g) The Corporation may purchase and maintain insurance on behalf of any person who 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 corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Section.

(h) For the purposes of this Section, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its directors, officers, employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Section with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

(i) For purposes of this Section, references to "other enterprises" shall include employee benefit plans; references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director, officer, employee, or agent with respect to any employee benefit plan, its participants, or beneficiaries; and a person who acted in good faith and in a manner he reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Section.

(j) The indemnification and advancement of expenses provided by, or granted pursuant to, this Section shall, unless otherwise provided when authorized or ratified by the Board of Directors, continue as to a person who has ceased to be a director, officer, employee or agent of the Corporation and shall inure to the benefit of the heirs executors and administrators of such a person.

(k) The officers and directors of the Company, as individuals, shall not be liable until all funds of the Company have been distributed, with the exception of the proceeds contained in a trust account, that is subject to the trust agreement to be entered into by the Company.

ARTICLE VIII
GENERAL PROVISIONS

SECTION 1. Checks. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the board of directors may from time to time designate.

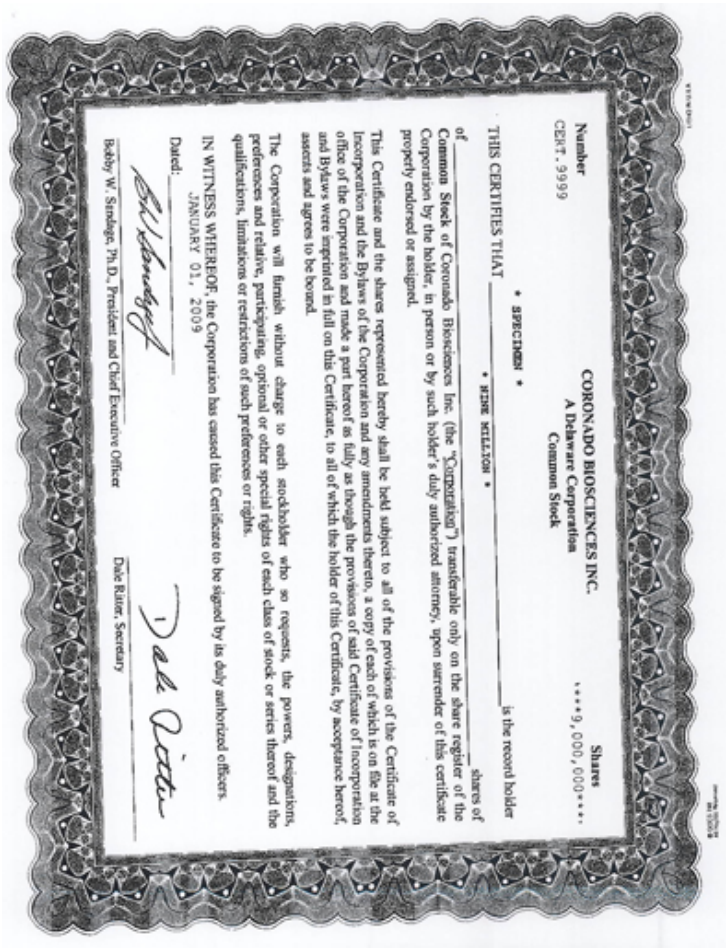
SECTION 2. Fiscal Year. The fiscal year of the corporation shall be determined, and may be changed, by resolution of the board of directors.

SECTION 3. Seal. The corporate seal shall have inscribed thereon the name of the corporation, the year of its organization and the words “Corporate Seal, Delaware.” The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

ARTICLE IX
AMENDMENTS

SECTION 1. These by-laws may be altered, amended, supplemented or repealed or new by-laws may be adopted (a) at any regular or special meeting of stockholders at which a quorum is present or represented, by the affirmative vote of the holders of a majority of the shares entitled to vote, provided notice of the proposed alteration, amendment or repeal be contained in the notice of such meeting, or (b) by a resolution adopted by a majority of the whole board of directors at any regular or special meeting of the board. The stockholders shall have authority to change or repeal any by-laws adopted by the directors.

Exhibit 4.1



Number
CERT.9999

CORONADO BIOSCIENCES INC.
A Delaware Corporation
Common Stock

Shares
*****9,000,000*****

* SPECIMEN *

THIS CERTIFIES THAT _____ is the record holder

* NINE MILLION *

of _____ shares of
Common Stock of Coronado Biosciences Inc. (the "Corporation") transferable only on the share register of the Corporation by the holder, in person or by such holder's duly authorized attorney, upon surrender of this certificate properly endorsed or assigned.

This Certificate and the shares represented hereby shall be held subject to all of the provisions of the Certificate of Incorporation and the Bylaws of the Corporation and any amendments thereto, a copy of each of which is on file at the office of the Corporation and made a part hereof as fully as though the provisions of said Certificate of Incorporation and Bylaws were imprinted in full on this Certificate, to all of which the holder of this Certificate, by acceptance hereof, assents and agrees to be bound.

The Corporation will furnish without charge to each stockholder who so requests, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

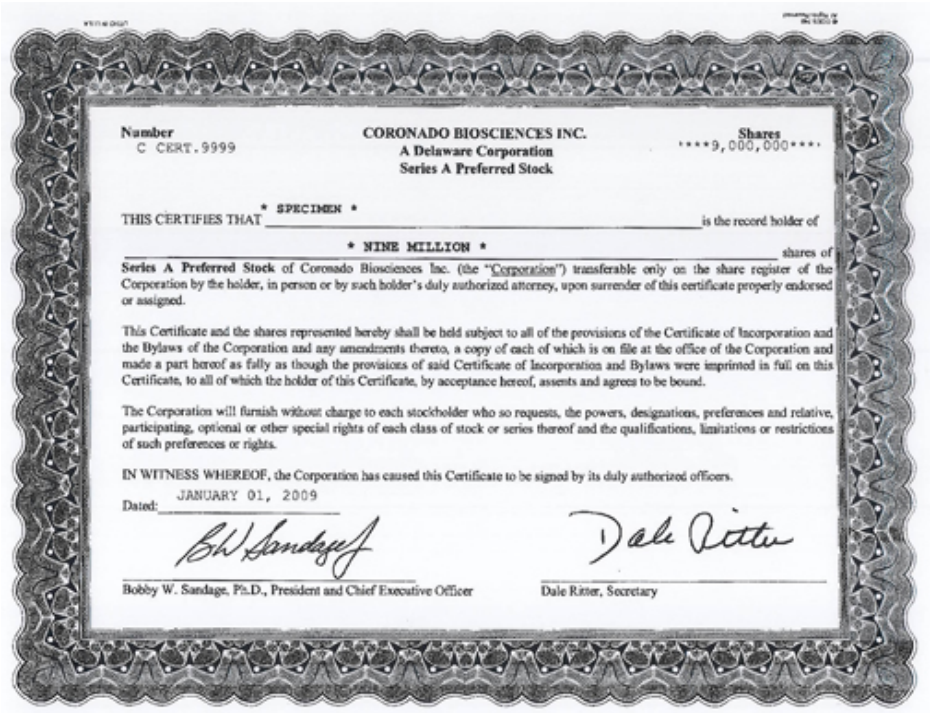
IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers.
JANUARY 01, 2009

Dated: _____

Bobby W. Sandage, Ph.D., President and Chief Executive Officer

Dale Ritter, Secretary

Exhibit 4.2



Number
C CERT.9999

CORONADO BIOSCIENCES INC.
A Delaware Corporation
Series A Preferred Stock

Shares
****9,000,000****

THIS CERTIFIES THAT * SPECIMEN * is the record holder of

* NINE MILLION * shares of

Series A Preferred Stock of Coronado Biosciences Inc. (the "Corporation") transferable only on the share register of the Corporation by the holder, in person or by such holder's duly authorized attorney, upon surrender of this certificate properly endorsed or assigned.

This Certificate and the shares represented hereby shall be held subject to all of the provisions of the Certificate of Incorporation and the Bylaws of the Corporation and any amendments thereto, a copy of each of which is on file at the office of the Corporation and made a part hereof as fully as though the provisions of said Certificate of Incorporation and Bylaws were imprinted in full on this Certificate, to all of which the holder of this Certificate, by acceptance hereof, assents and agrees to be bound.

The Corporation will furnish without charge to each stockholder who so requests, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

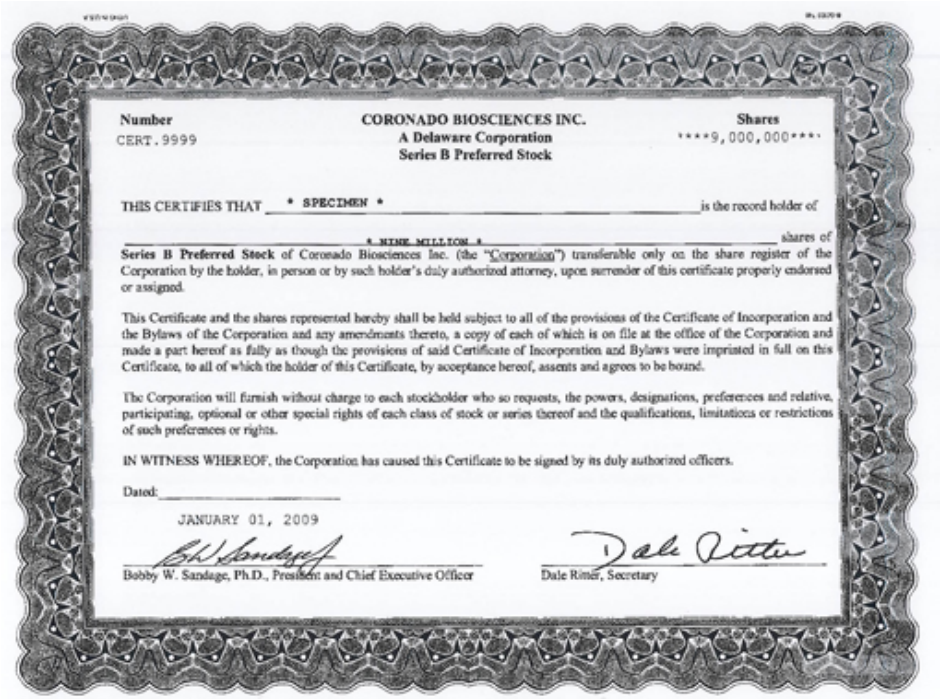
IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers.

Dated: JANUARY 01, 2009

Bobby W. Sandage, Ph.D., President and Chief Executive Officer

Dale Ritter, Secretary

Exhibit 4.3



Number
CERT.9999

CORONADO BIOSCIENCES INC.
A Delaware Corporation
Series B Preferred Stock

Shares
****9,000,000****

THIS CERTIFIES THAT * SPECIMEN * is the record holder of

* NINE MILLION * shares of

Series B Preferred Stock of Coronado Biosciences Inc. (the "Corporation") transferable only on the share register of the Corporation by the holder, in person or by such holder's duly authorized attorney, upon surrender of this certificate properly endorsed or assigned.

This Certificate and the shares represented hereby shall be held subject to all of the provisions of the Certificate of Incorporation and the Bylaws of the Corporation and any amendments thereto, a copy of each of which is on file at the office of the Corporation and made a part hereof as fully as though the provisions of said Certificate of Incorporation and Bylaws were imprinted in full on this Certificate, to all of which the holder of this Certificate, by acceptance hereof, assents and agrees to be bound.

The Corporation will furnish without charge to each stockholder who so requests, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

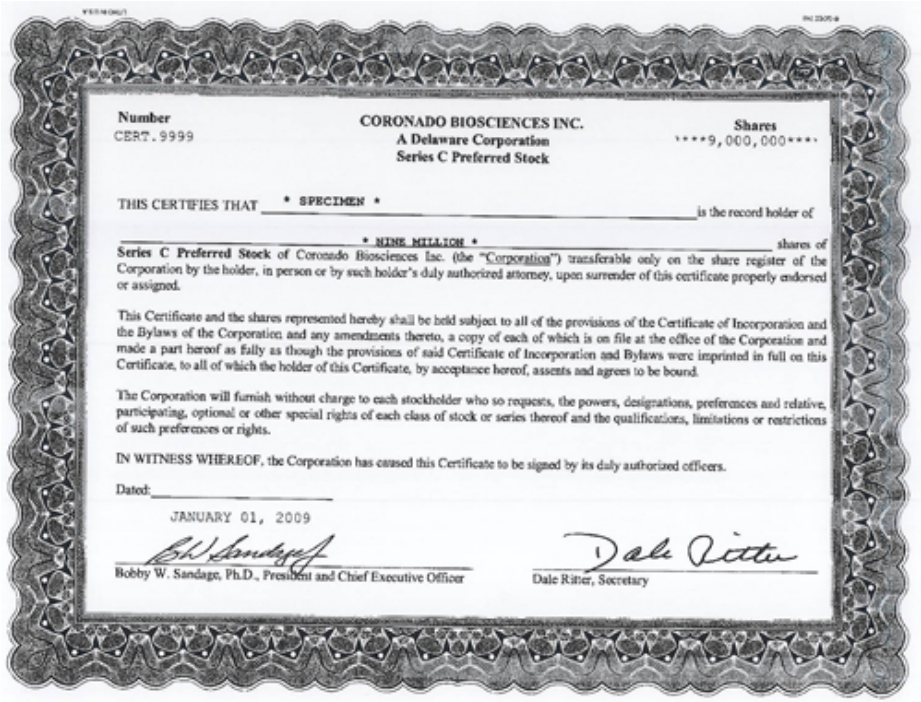
IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers.

Dated: JANUARY 01, 2009

Bobby W. Sandage, Ph.D., President and Chief Executive Officer

Dale Ritter, Secretary

Exhibit 4.4



Number
CERT.9999

CORONADO BIOSCIENCES INC.
A Delaware Corporation
Series C Preferred Stock

Shares
****9,000,000****

THIS CERTIFIES THAT * SPECIMEN * is the record holder of

* NINE MILLION * shares of **Series C Preferred Stock** of Coronado Biosciences Inc. (the "Corporation") transferable only on the share register of the Corporation by the holder, in person or by such holder's duly authorized attorney, upon surrender of this certificate properly endorsed or assigned.

This Certificate and the shares represented hereby shall be held subject to all of the provisions of the Certificate of Incorporation and the Bylaws of the Corporation and any amendments thereto, a copy of each of which is on file at the office of the Corporation and made a part hereof as fully as though the provisions of said Certificate of Incorporation and Bylaws were imprinted in full on this Certificate, to all of which the holder of this Certificate, by acceptance hereof, assents and agrees to be bound.

The Corporation will furnish without charge to each stockholder who so requests, the powers, designations, preferences and relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences or rights.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers.

Dated: JANUARY 01, 2009

Bobby W. Sandage, Ph.D., President and Chief Executive Officer

Dale Ritter, Secretary

Exhibit 4.5

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAW. THIS WARRANT AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE PLEDGED, TRANSFERRED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR DELIVERY OF AN OPINION OF COUNSEL IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT OR UNLESS SOLD IN FULL COMPLIANCE WITH RULE 144 UNDER THE ACT.

CORONADO BIOSCIENCES, INC.

Warrant for the Purchase of Shares of Common Stock

No. CW-[__]

FOR VALUE RECEIVED, CORONADO BIOSCIENCES, INC., a Delaware corporation (the "**Company**"), hereby certifies that [_____] or [__] permitted assigns is entitled to purchase from the Company, after determination of the Per Share Warrant Price (as defined below), up to and including 5:00 p.m. (Eastern Time) on the date that is the seventh (7th) anniversary of February 20, 2008 (to be referred to herein as the "**Initial Closing Date**" and the period following the Initial Closing Date up to and including the seven year anniversary of the Initial Closing Date to be referred to herein as the "**Exercise Period**") [_____] shares of Common Stock (as defined below), at the Per Share Warrant Price (as defined below). The "**Per Share Warrant Price**" shall, subject to adjustment as set forth herein, be equal to $9.229.

For purposes of this Warrant, (i) common stock, $0.001 par value per share, of the Company, is referred to as "**Common Stock**"; (ii) the shares of the Common Stock (subject to adjustment as set forth herein) purchasable hereunder are referred to as the "**Warrant Shares**"; (iii) the aggregate purchase price payable for the Warrant Shares purchasable hereunder is referred to as the "**Aggregate Warrant Price**"; (iv) "**Qualified Financing**" means the closing of an equity financing or series of related equity financings, including without limitation a firm commitment underwritten initial public offering under the Securities Act of 1933, as amended, by the Company resulting in aggregate gross cash proceeds (before commissions or other expenses) to the Company of at least $10,000,000; (v) "**Lowest Price Paid**" means the lowest price paid per unit of securities issued to investors in a Qualified Financing; (vi) this "**Warrant**" means this agreement evidencing the Holder's right to purchase Warrant Shares; (vii) the holder of this Warrant is referred to as the "**Holder**"; and (viii) the then Current Market Price per share of the Common Stock (the **"Current Market Price"**) shall be deemed to be the last reported sale price of the Common Stock on the Trading Day (as defined below) immediately prior to a particular date or, in case no such reported sales take place on such date, the average of the last reported bid and asked prices of the Common Stock on such date, in either case on the principal

national securities exchange on which the Common Stock is admitted to trading or listed, or if not listed or admitted to trading on any such exchange, the per share sale price for the Common Stock in the over-the-counter market as reported on the Over-the-Counter Bulletin Board, by the National Quotation Bureau or similar organization, or if not so available, the fair market value of the Common Stock as determined in good faith by the Company's Board of Directors. A "**Trading Day**" shall mean any day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time) on which shares of the Company's Common Stock are listed or quoted for trading as reported by Bloomberg L.P.

This Warrant was originally issued pursuant to that certain Placement Agency Agreement dated January 18, 2008 (the **"Placement Agency Agreement"**) between the Company and Paramount BioCapital, Inc. in connection with the Offering.

1. Exercise of Warrant.

(a) This Warrant may be exercised in whole at any time, or in part from time to time, by the Holder during the Exercise Period:

(i) by the surrender of this Warrant (with the subscription form at the end hereof duly executed) at the address set forth in subsection 9(a) hereof, together with proper payment of the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part, with payment for the Warrant Shares made by certified or official bank check payable to the order of, or wire transfer of immediately available funds to, the Company; or

(ii) by the surrender of this Warrant (with the cashless exercise form at the end hereof duly executed) (a "**Cashless Exercise**") at the address set forth in subsection 9(a) hereof. Such presentation and surrender shall be deemed a waiver of the Holder's obligation to pay the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part. In the event of a Cashless Exercise, the Holder shall exchange its Warrant for a number of Warrant Shares equal to that number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the then Current Market Price;

(B) = the Per Share Warrant Price;

(X) = the number of Warrant Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

(b) If this Warrant is exercised in part, this Warrant must be exercised for a number of whole shares of the Common Stock and the Holder is entitled to receive a new Warrant covering the Warrant Shares that have not been exercised. Upon surrender of this Warrant in connection with the exercise of this Warrant pursuant to the terms hereof, the Company will (i) issue a certificate or certificates in the name of the Holder for the largest number of whole shares of Warrant Shares to which the Holder shall be entitled upon such exercise and, if this Warrant is exercised in whole, in lieu of any fractional share of the Common

Stock to which the Holder shall be entitled, pay to the Holder cash in an amount equal to the fair value of such fractional share (determined in such reasonable manner as the Board of Directors of the Company shall determine), and (ii) deliver the other securities and properties receivable upon the exercise of this Warrant, or the proportionate part thereof, if this Warrant is exercised in part, pursuant to the provisions of this Warrant.

2. Reservation of Warrant Shares; Listing.

The Company agrees that, prior to the expiration of this Warrant, the Company shall at all times (a) have authorized and in reserve, and shall keep available, solely for issuance and delivery upon the exercise of this Warrant, the shares of the Common Stock and other securities and properties as from time to time shall be receivable upon the exercise of this Warrant, free and clear of all restrictions on sale or transfer, other than under Federal or state securities laws, and free and clear of all preemptive rights and rights of first refusal and (b) if the Company hereafter lists its Common Stock on any national securities exchange, use its commercially reasonable efforts to keep the Warrant Shares authorized for listing on such exchange upon notice of issuance. If the Company does not complete a Qualified Financing prior to the second anniversary of the Initial Closing Date, then the Company will promptly provide the Holder with written notice of the adjustment of the Per Share Warrant Price to $1.00.

3. Certain Adjustments.

(a) If, at any time or from time to time after the date of this Warrant, the Company shall issue or distribute to all holders of shares of Common Stock by reason of their ownership thereof, evidence of its indebtedness, any other securities of the Company or any cash, property or other assets (excluding a subdivision, combination or reclassification, or dividend or distribution payable in shares of Common Stock, referred to in subsection 3(b) (any such non-excluded event being herein called a "**Special Dividend**")), the Per Share Warrant Price shall be adjusted (effective immediately prior to such issuance or distribution but after the record date for such issuance or distribution) by multiplying the Per Share Warrant Price then in effect by a fraction, the numerator of which shall be the Current Market Price in effect on the record date for such issuance or distribution less the fair market value (as determined in good faith by the Company's Board of Directors) of the evidence of indebtedness, cash, securities or property, or other assets issued or distributed in such Special Dividend applicable to one share of Common Stock and the denominator of which shall be the Current Market Price in effect on the record date for such issuance or distribution. An adjustment made pursuant to this subsection 3(a) shall become effective immediately prior to the payment date but after the record date of any such Special Dividend. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(b) In case the Company shall hereafter (i) pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine or reverse-split its outstanding shares of Common Stock into a smaller number of shares or (iv) issue by reclassification of its Common Stock any shares of capital stock of the Company, then the Per Share Warrant Price and the number of Warrant Shares shall forthwith be

proportionately decreased and increased, respectively, in the case of a subdivision, distribution or stock dividend, or proportionately increased and decreased, respectively, in the case of a combination or reverse stock split. Adjustments made pursuant to this subsection 3(b) shall become effective on the record date in the case of a dividend or distribution, and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(c) In case of any capital reorganization or reclassification, or any consolidation or merger to which the Company is a party other than a merger or consolidation in which the Company is the surviving corporation, or in case of any sale or conveyance to another entity of all or substantially all of the assets of the Company, or in the case of any statutory exchange of securities with another corporation (including any exchange effected in connection with a merger of a third corporation into the Company but excluding any exchange of securities or merger with another corporation in which the Company is a surviving corporation and that does not result in any reclassification of or similar change in the Common Stock), the Holder of this Warrant shall have the right thereafter to receive on the exercise of this Warrant the kind and amount of securities, cash or other property which the Holder would have owned or have been entitled to receive immediately after such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance had this Warrant been exercised immediately prior to the effective date of such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and in any such case, if necessary, appropriate adjustment shall be made in the application of the provisions set forth in this Section 3 with respect to the rights and interests thereafter of the Holder of this Warrant to the end that the provisions set forth in this Section 3 shall thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant. The above provisions of this subsection 3(c) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, statutory exchanges, sales or conveyances. The Company shall require the issuer of any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant to be responsible for all of the agreements and obligations of the Company hereunder. Notice of any such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and of said provisions so proposed to be made, shall be mailed to the Holder not less than twenty (20) days prior to such event. A sale of all or substantially all of the assets of the Company for a consideration consisting primarily of securities shall be deemed a consolidation or merger for the foregoing purposes.

(d) No adjustment in the Per Share Warrant Price shall be required unless such adjustment would require an increase or decrease of at least $0.01 per share of Warrant Shares; provided, however, that any adjustments which by reason of this subsection 3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment; provided, further, however, that adjustments shall be required and made in accordance with the provisions of this Section 3 (other than this subsection 3(d)) not later than such time as may be required in order to preserve the tax-free nature of a distribution, if any, to the Holder of this Warrant or Warrant Shares issuable upon the

exercise hereof. All calculations under this Section 3 shall be made to the nearest cent or to the nearest 1/100th of a share, as the case may be. Anything in this Section 3 to the contrary notwithstanding, the Company shall be entitled to make such reductions in the Per Share Warrant Price, in addition to those required by this Section 3, as it in its discretion shall deem to be advisable in order that any stock dividend, subdivision of shares or distribution of rights to purchase stock or securities convertible or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

(e) Whenever the Per Share Warrant Price is adjusted as provided in this Section 3 and upon any modification of the rights of the Holder in accordance with this Section 3, the Company shall promptly prepare a brief statement of the facts requiring such adjustment or modification and the manner of computing the same and cause copies of such certificate to be mailed to the Holder.

(f) If the Board of Directors of the Company shall declare any dividend or other distribution with respect to the Common Stock, the Company shall mail notice thereof to the Holder not less than ten (10) days prior to the record date fixed for determining stockholders entitled to participate in such dividend or other distribution.

(g) If, as a result of an adjustment made pursuant to this Section 3, the Holder of any Warrant thereafter surrendered for exercise shall become entitled to receive shares of two or more classes of capital stock or shares of Common Stock and other capital stock of the Company, the Board of Directors (whose determination shall be conclusive and shall be described in a written notice to the Holder promptly after such adjustment) shall determine, in good faith, the allocation of the adjusted Per Share Warrant Price between or among shares or such classes of capital stock or shares of Common Stock and other capital stock.

(h) In case any event shall occur as to which the other provisions of this Section 3 are not strictly applicable but as to which the failure to make any adjustment would not fairly protect the purchase rights represented by this Warrant in accordance with the essential intent and principles of the adjustments set forth in this Section 3 then, in each such case, the Board of Directors of the Company shall in good faith determine the adjustment, if any, on a basis consistent with the essential intent and principles established herein, necessary to preserve the purchase rights represented by the Warrant. Upon such determination, the Company will promptly mail a copy thereof to the Holder and shall make the adjustments described therein.

(i) Notwithstanding any other provision of this Warrant, upon a Sale of the Company (as such term is defined in the Note) prior to, but not in connection with, a Qualified Financing, this Warrant shall be exercisable for a number of shares of Common Stock equal to 10% of the aggregate principal amount of the Bridge Notes divided by the Adjusted Sale Consideration Per Share (as defined herein) from such Sale of the Company, and the Per Share Warrant Price shall be equal to 75% of the Adjusted Sale Consideration Per Share. "**Adjusted Sale Consideration Per Share**" shall mean (A) the Sale Proceeds (as defined herein) minus an amount equal to 10% of the aggregate principal amount of the Bridge Notes, divided by (B) the number of shares of Common Stock then outstanding, on a fully diluted basis excluding the Warrant but including any outstanding options and

warrants (except for any options and warrants with regard to which no Sale Proceeds are being distributed in the Sale). "**Sale Proceeds**" shall mean (i) in the event of a Stock Acquisition (as defined herein), the cash or securities paid by the acquirer to the Company or the selling stockholders to acquire such shares; and (ii) in the event of an Asset Sale (as defined herein), the cash or securities legally available for distribution to the Company's stockholders, after creation of adequate reserves for liabilities of the Company. "**Stock Acquisition**" shall mean a transaction (or series of related transactions) with one or more non-affiliates, pursuant to which such party or parties acquire capital stock of the Company or the surviving entity possessing the voting power to elect a majority of the board of directors of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's capital stock or otherwise), and "**Asset Sale**" shall mean a transaction (or series of related transactions) with one or more non-affiliates, pursuant to which such party or parties acquire all or substantially all of the Company's assets determined on a consolidated basis.

(j) Notwithstanding any other provision of this Warrant, in the event of a Reverse Merger (as defined in the Note), other than in connection with a Qualified Financing, this Warrant shall be exercisable into that number of shares of Common Stock, with a Per Share Warrant Price in each case determined in accordance with, and on the same terms and conditions, as provided for in the event of a Qualified Financing, provided that for purposes thereof, the Lowest Price Paid shall be deemed equal to the quotient obtained by dividing (i) the aggregate consideration accorded to the Company in the Reverse Merger less the unpaid principal and interest on the Bridge Notes by (ii) the number of shares of Common Stock then outstanding, on a fully diluted basis excluding the Warrant issued pursuant to the Placement Agency Agreement but including all options and warrants outstanding immediately prior to consummation of the Reverse Merger.

4. Fully Paid Stock; Taxes.

The Warrant Shares represented by each and every certificate for Warrant Shares delivered on the exercise of this Warrant shall, subject to compliance by the Holder with the terms hereof, at the time of such delivery, be duly authorized, validly issued and outstanding, fully paid and nonassessable, and not subject to preemptive rights or rights of first refusal imposed by any agreement to which the Company is a party, and the Company will take all such actions as may be necessary to assure that the par value, if any, per share of Warrant Shares is at all times equal to or less than the then Per Share Warrant Price. The Company shall pay, when due and payable, any and all Federal and state stamp, original issue or similar taxes which may be payable in respect of the issue of any Warrant Share or any certificate thereof to the extent required because of the issuance by the Company of such security.

5. Registration Under the Act.

(a) The Holder shall have the right to participate in the registration rights granted to purchasers in the Offering pursuant to Article V of those certain Note Purchase Agreements by and between the Company and each such purchaser in the Offering.

(b) Until all of the Warrant Shares and any shares of Common Stock issuable thereunder have been sold under a Registration Statement or pursuant to Rule 144(k), so long as the Company's Common Stock remains registered under the Act, the Company shall use its commercially reasonable efforts to file with the Securities and Exchange Commission all current reports and the information as may be necessary to enable the Holder to effect sales of its shares in reliance upon Rule 144(k) promulgated under the Act.

(c) The Holder hereby agrees that in the case of an initial offering of the Common Stock to the public pursuant to an effective registration statement under the Securities Act (the "**IPO**"), the Holder will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, any shares of Common Stock issuable upon the conversion or exercise of this Warrant for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Holder will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

6. Investment Intent; Limited Transferability.

(a) By accepting this Warrant, the Holder represents to the Company that it understands that this Warrant and any securities obtainable upon exercise of this Warrant have not been registered for sale under Federal or state securities laws and are being offered and sold to the Holder pursuant to one or more exemptions from the registration requirements of such securities laws. In the absence of an effective registration of such securities or an exemption therefrom, any certificates for such securities shall bear the legend set forth on the first page hereof. The Holder understands that it must bear the economic risk of its investment in this Warrant and any securities obtainable upon exercise of this Warrant for an indefinite period of time, as this Warrant and such securities have not been registered under Federal or state securities laws and therefore cannot be sold unless subsequently registered under such laws, unless an exemption from such registration is available. The Holder further represents to the Company, by accepting this Warrant, that it has full power and authority to accept this Warrant and make the representations set forth herein.

(b) The Holder, by its acceptance of this Warrant, represents to the Company that it is an "accredited investor" with the meaning of Regulation D under the Act and is acquiring this Warrant and will acquire any securities obtainable upon exercise of this Warrant for its own account for investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Act. The Holder agrees, by acceptance of this Warrant, that this Warrant and any such securities issuable under this Warrant will not be sold or otherwise transferred unless (i) a registration statement with respect to such transfer is effective under the Act and any applicable state securities laws or (ii) such sale or transfer is made pursuant to one or more exemptions from the Act.

(c) In addition to the limitations set forth above and in accordance with the legend on the first page hereof, this Warrant may not be sold, transferred, assigned or hypothecated by the Holder except in compliance with the provisions of the Act and the applicable state securities "blue sky" laws, and is so transferable only upon the books of the Company which it shall cause to be maintained for such purpose. The Company may treat the registered Holder of this Warrant as it appears on the Company's books at any time as the Holder for all purposes. The Company shall permit the Holder or its duly authorized attorney, upon written request during ordinary business hours, to inspect and copy or make extracts from its books showing the registered Holder of this Warrant. All warrants issued upon the transfer or assignment of this Warrant will be dated the same date as this Warrant, and all rights of the holder thereof shall be identical to those of the Holder unless, in each case, otherwise prohibited by applicable law.

(d) The Holder has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of this Warrant or the exercise of this Warrant; and (ii) the opportunity to request such additional information which the Company possesses or can acquire without unreasonable effort or expense.

(e) The Holder did not (i) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (ii) attend any seminar, meeting or investor or other conference whose attendees were, to such Holder's knowledge, invited by any general solicitation or general advertising.

(f) Either by reason of such Holder's business or financial experience or the business or financial experience of its professional advisors (who are unaffiliated with and who are not compensated by the Company or any affiliate, finder or selling agent of the Company, directly or indirectly), such Holder has the capacity to protect such Holder's interests in connection with the transactions contemplated by this Warrant and the Placement Agency Agreement. The Holder, by its acceptance of this Warrant, represents to the Company that it is able to fend for itself, can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in this Warrant. Holder also represents it has not been organized for the purpose of acquiring this Warrant.

7. Loss, etc., of Warrant.

Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and of indemnity reasonably satisfactory to the Company, if lost, stolen or destroyed, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver to the Holder a new Warrant of like date, tenor and denomination.

8. Warrant Holder Not Stockholder.

This Warrant does not confer upon the Holder any right to vote on or consent to or receive notice as a stockholder of the Company, as such, in respect of any matters whatsoever, nor any other rights or liabilities as a stockholder, prior to the exercise hereof; this Warrant does, however, require certain notices to Holder as set forth herein.

9. Notice.

No notice or other communication under this Warrant shall be effective or deemed to have been given unless, the same is in writing and is mailed by first-class mail, postage prepaid, or via recognized overnight courier with confirmed receipt, addressed to:

(a) the Company at Coronado Biosciences, Inc., 45 Rockefeller Plaza, Suite 2000, New York, NY 10111, Attn: President, or other such address as the Company has designated in writing to the Holder (with a copy to Cooley LLP, 4401 Eastgate Mall, San Diego, CA 92121, Attn: Jason Kent, Esq., fax: (858) 550-6420) or

(b) the Holder at [_____], or other such address as the Holder has designated in writing to the Company.

10. Headings.

The headings of this Warrant have been inserted as a matter of convenience and shall not affect the construction hereof.

11. Applicable Law.

This Warrant shall be governed by and construed in accordance with the law of the State of New York without giving effect to the principles of conflicts of law thereof.

12. Amendment, Waiver, etc.

Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought.

* * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by the undersigned duly authorized officer, this 20th day of February, 2008.

CORONADO BIOSCIENCES, INC.

By: _____

Gary Gemignani
Chief Financial Officer

SUBSCRIPTION ***(cash)***

The undersigned, _____, pursuant to the provisions of the foregoing Warrant, hereby agrees to subscribe for and purchase _____ shares of the Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by said Warrant, and makes payment therefor in full at the price per share provided by said Warrant.

Dated: _____ Signature: _____

Address: _____

CASHLESS EXERCISE

The undersigned _____, pursuant to the provisions of the foregoing Warrant, hereby elects to exchange its Warrant for _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. pursuant to the Cashless Exercise provisions of the Warrant.

Dated: _____ Signature: _____

Address: _____

ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby sells, assigns and transfers unto _____ ("Transferee") the foregoing Warrant and all rights evidenced thereby, and does irrevocably constitute and appoint _____, attorney, to transfer said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the foregoing Warrant, Transferee shall become a Holder under said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

PARTIAL ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby assigns and transfers unto _____ ("Transferee") the right to purchase _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by the foregoing Warrant, and a proportionate part of said Warrant and the rights evidenced thereby, and does irrevocably constitute and appoint _____ , attorney, to transfer such part of said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the proportionate part of foregoing Warrant, Transferee shall become a Holder under said proportionate part of said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

Exhibit 4.6

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAW. THIS WARRANT AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE PLEDGED, TRANSFERRED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR DELIVERY OF AN OPINION OF COUNSEL IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT OR UNLESS SOLD IN FULL COMPLIANCE WITH RULE 144 UNDER THE ACT.

CORONADO BIOSCIENCES, INC.

Warrant for the Purchase of Shares of Common Stock

No. CW-[__]

FOR VALUE RECEIVED, CORONADO BIOSCIENCES, INC., a Delaware corporation (the "**Company**"), hereby certifies that [_____] or [__] permitted assigns is entitled to purchase from the Company, after determination of the Per Share Warrant Price (as defined below), up to and including 5:00 p.m. (Eastern Time) on the date that is the seventh (7th) anniversary of July 27, 2009 (to be referred to herein as the "**Initial Closing Date**" and the period following the Initial Closing Date up to and including the seven year anniversary of the Initial Closing Date to be referred to herein as the "**Exercise Period**") [_____] shares of Common Stock (as defined below), at the Per Share Warrant Price. The "**Per Share Warrant Price**" shall, subject to adjustment as set forth herein, be equal to $9.229.

For purposes of this Warrant, (i) common stock, $0.001 par value per share, of the Company, is referred to as "**Common Stock**"; (ii) the shares of the Common Stock (subject to adjustment as set forth herein) purchasable hereunder are referred to as the "**Warrant Shares**"; (iii) the aggregate purchase price payable for the Warrant Shares purchasable hereunder is referred to as the "**Aggregate Warrant Price**"; (iv) "**Qualified Financing**" means the closing of an equity financing or series of related equity financings, including without limitation a firm commitment underwritten initial public offering under the Securities Act of 1933, as amended, by the Company resulting in aggregate gross cash proceeds (before commissions or other expenses) to the Company of at least $10,000,000 less the amounts raised in this Offering; (v) "**Lowest Price Paid**" means the lowest price paid per unit of securities issued to investors in a Qualified Financing; (vi) this "**Warrant**" means this agreement evidencing the Holder's right to purchase Warrant Shares; (vii) the holder of this Warrant is referred to as the "**Holder**"; and (viii) the then Current Market Price per share of the Common Stock (the **"Current Market Price"**) shall be deemed to be the last reported sale price of the Common Stock on the Trading Day (as defined below) immediately prior to a particular date or, in case no such reported sales take place on such date, the average of the last reported bid and asked prices of the Common Stock on such date, in either case on the principal national securities exchange on which the

Common Stock is admitted to trading or listed, or if not listed or admitted to trading on any such exchange, the per share sale price for the Common Stock in the over-the-counter market as reported on the Over-the-Counter Bulletin Board, by the National Quotation Bureau or similar organization, or if not so available, the fair market value of the Common Stock as determined in good faith by the Company's Board of Directors. A "**Trading Day**" shall mean any day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time) on which shares of the Company's Common Stock are listed or quoted for trading as reported by Bloomberg L.P.

This Warrant was originally issued pursuant to that certain Placement Agency Agreement dated July 7, 2009 (the **"Placement Agency Agreement"**) between the Company and Paramount BioCapital, Inc. in connection with the Offering.

1. Exercise of Warrant.

(a) This Warrant may be exercised in whole at any time, or in part from time to time, by the Holder during the Exercise Period:

(i) by the surrender of this Warrant (with the subscription form at the end hereof duly executed) at the address set forth in subsection 9(a) hereof, together with proper payment of the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part, with payment for the Warrant Shares made by certified or official bank check payable to the order of, or wire transfer of immediately available funds to, the Company; or

(ii) by the surrender of this Warrant (with the cashless exercise form at the end hereof duly executed) (a "**Cashless Exercise**") at the address set forth in subsection 9(a) hereof. Such presentation and surrender shall be deemed a waiver of the Holder's obligation to pay the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part. In the event of a Cashless Exercise, the Holder shall exchange its Warrant for a number of Warrant Shares equal to that number of Warrant Shares equal to the quotient obtained by dividing (A-B) (X) by (A), where:

(A) = the then Current Market Price;

(B) = the Per Share Warrant Price;

(X) = the number of Warrant Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

(b) If this Warrant is exercised in part, this Warrant must be exercised for a number of whole shares of the Common Stock and the Holder is entitled to receive a new Warrant covering the Warrant Shares that have not been exercised. Upon surrender of this Warrant in connection with the exercise of this Warrant pursuant to the terms hereof, the Company will (i) issue a certificate or certificates in the name of the Holder for the largest number of whole shares of Warrant Shares to which the Holder shall be entitled upon such exercise and, if this Warrant is exercised in whole, in lieu of any fractional share of the Common Stock to which the Holder shall be entitled, pay to the Holder cash in an amount equal to

the fair value of such fractional share (determined in such reasonable manner as the Board of Directors of the Company shall determine), and (ii) deliver the other securities and properties receivable upon the exercise of this Warrant, or the proportionate part thereof, if this Warrant is exercised in part, pursuant to the provisions of this Warrant.

2. Reservation of Warrant Shares; Listing.

The Company agrees that, prior to the expiration of this Warrant, the Company shall at all times (a) have authorized and in reserve, and shall keep available, solely for issuance and delivery upon the exercise of this Warrant, the shares of the Common Stock and other securities and properties as from time to time shall be receivable upon the exercise of this Warrant, free and clear of all restrictions on sale or transfer, other than under Federal or state securities laws, and free and clear of all preemptive rights and rights of first refusal and (b) if the Company hereafter lists its Common Stock on any national securities exchange, use its commercially reasonable efforts to keep the Warrant Shares authorized for listing on such exchange upon notice of issuance. If the Company does not complete a Qualified Financing prior to the second anniversary of the Initial Closing Date, then the Company will promptly provide the Holder with written notice of the adjustment of the Per Share Warrant Price to $1.00.

3. Certain Adjustments.

(a) If, at any time or from time to time after the date of this Warrant, the Company shall issue or distribute to all holders of shares of Common Stock by reason of their ownership thereof, evidence of its indebtedness, any other securities of the Company or any cash, property or other assets (excluding a subdivision, combination or reclassification, or dividend or distribution payable in shares of Common Stock, referred to in subsection 3(b) (any such non-excluded event being herein called a "**Special Dividend**")), the Per Share Warrant Price shall be adjusted (effective immediately prior to such issuance or distribution but after the record date for such issuance or distribution) by multiplying the Per Share Warrant Price then in effect by a fraction, the numerator of which shall be the Current Market Price in effect on the record date for such issuance or distribution less the fair market value (as determined in good faith by the Company's Board of Directors) of the evidence of indebtedness, cash, securities or property, or other assets issued or distributed in such Special Dividend applicable to one share of Common Stock and the denominator of which shall be the Current Market Price in effect on the record date for such issuance or distribution. An adjustment made pursuant to this subsection 3(a) shall become effective immediately prior to the payment date but after the record date of any such Special Dividend. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(b) In case the Company shall hereafter (i) pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine or reverse-split its outstanding shares of Common Stock into a smaller number of shares or (iv) issue by reclassification of its Common Stock any shares of capital stock of the Company, then the Per Share Warrant Price and the number of Warrant Shares shall forthwith be proportionately decreased and increased, respectively, in the case of a subdivision,

distribution or stock dividend, or proportionately increased and decreased, respectively, in the case of a combination or reverse stock split. Adjustments made pursuant to this subsection 3(b) shall become effective on the record date in the case of a dividend or distribution, and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(c) In case of any capital reorganization or reclassification, or any consolidation or merger to which the Company is a party other than a merger or consolidation in which the Company is the surviving corporation, or in case of any sale or conveyance to another entity of all or substantially all of the assets of the Company, or in the case of any statutory exchange of securities with another corporation (including any exchange effected in connection with a merger of a third corporation into the Company but excluding any exchange of securities or merger with another corporation in which the Company is a surviving corporation and that does not result in any reclassification of or similar change in the Common Stock), the Holder of this Warrant shall have the right thereafter to receive on the exercise of this Warrant the kind and amount of securities, cash or other property which the Holder would have owned or have been entitled to receive immediately after such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance had this Warrant been exercised immediately prior to the effective date of such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and in any such case, if necessary, appropriate adjustment shall be made in the application of the provisions set forth in this Section 3 with respect to the rights and interests thereafter of the Holder of this Warrant to the end that the provisions set forth in this Section 3 shall thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant. The above provisions of this subsection 3(c) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, statutory exchanges, sales or conveyances. The Company shall require the issuer of any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant to be responsible for all of the agreements and obligations of the Company hereunder. Notice of any such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and of said provisions so proposed to be made, shall be mailed to the Holder not less than twenty (20) days prior to such event. A sale of all or substantially all of the assets of the Company for a consideration consisting primarily of securities shall be deemed a consolidation or merger for the foregoing purposes.

(d) No adjustment in the Per Share Warrant Price shall be required unless such adjustment would require an increase or decrease of at least $0.01 per share of Warrant Shares; provided, however, that any adjustments which by reason of this subsection 3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment; provided, further, however, that adjustments shall be required and made in accordance with the provisions of this Section 3 (other than this subsection 3(d)) not later than such time as may be required in order to preserve the tax-free nature of a distribution, if any, to the Holder of this Warrant or Warrant Shares issuable upon the exercise hereof. All calculations under this Section 3 shall be made to the nearest cent or to

the nearest 1/100th of a share, as the case may be. Anything in this Section 3 to the contrary notwithstanding, the Company shall be entitled to make such reductions in the Per Share Warrant Price, in addition to those required by this Section 3, as it in its discretion shall deem to be advisable in order that any stock dividend, subdivision of shares or distribution of rights to purchase stock or securities convertible or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

(e) Whenever the Per Share Warrant Price is adjusted as provided in this Section 3 and upon any modification of the rights of the Holder in accordance with this Section 3, the Company shall promptly prepare a brief statement of the facts requiring such adjustment or modification and the manner of computing the same and cause copies of such certificate to be mailed to the Holder.

(f) If the Board of Directors of the Company shall declare any dividend or other distribution with respect to the Common Stock, the Company shall mail notice thereof to the Holder not less than ten (10) days prior to the record date fixed for determining stockholders entitled to participate in such dividend or other distribution.

(g) If, as a result of an adjustment made pursuant to this Section 3, the Holder of any Warrant thereafter surrendered for exercise shall become entitled to receive shares of two or more classes of capital stock or shares of Common Stock and other capital stock of the Company, the Board of Directors (whose determination shall be conclusive and shall be described in a written notice to the Holder promptly after such adjustment) shall determine, in good faith, the allocation of the adjusted Per Share Warrant Price between or among shares or such classes of capital stock or shares of Common Stock and other capital stock.

(h) In case any event shall occur as to which the other provisions of this Section 3 are not strictly applicable but as to which the failure to make any adjustment would not fairly protect the purchase rights represented by this Warrant in accordance with the essential intent and principles of the adjustments set forth in this Section 3 then, in each such case, the Board of Directors of the Company shall in good faith determine the adjustment, if any, on a basis consistent with the essential intent and principles established herein, necessary to preserve the purchase rights represented by the Warrant. Upon such determination, the Company will promptly mail a copy thereof to the Holder and shall make the adjustments described therein.

(i) Notwithstanding any other provision of this Warrant, upon a Sale of the Company (as such term is defined in the Note) prior to, but not in connection with, a Qualified Financing, this Warrant shall be exercisable for a number of shares of Common Stock equal to 10% of the aggregate principal amount of the Bridge Notes divided by the Adjusted Sale Consideration Per Share (as defined herein) from such Sale of the Company, and the Per Share Warrant Price shall be equal to 75% of the Adjusted Sale Consideration Per Share. "**Adjusted Sale Consideration Per Share**" shall mean (A) the Sale Proceeds (as defined herein) minus an amount equal to 10% of the aggregate principal amount of the Bridge Notes, divided by (B) the number of shares of Common Stock then outstanding, on a fully diluted basis excluding the Warrant but including any outstanding options and warrants (except for any options and warrants with regard to which no Sale Proceeds are

being distributed in the Sale). "**Sale Proceeds**" shall mean (i) in the event of a Stock Acquisition (as defined herein), the cash or securities paid by the acquirer to the Company or the selling stockholders to acquire such shares; and (ii) in the event of an Asset Sale (as defined herein), the cash or securities legally available for distribution to the Company's stockholders, after creation of adequate reserves for liabilities of the Company. "**Stock Acquisition**" shall mean a transaction (or series of related transactions) with one or more non-affiliates, pursuant to which such party or parties acquire capital stock of the Company or the surviving entity possessing the voting power to elect a majority of the board of directors of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's capital stock or otherwise), and "**Asset Sale**" shall mean a transaction (or series of related transactions) with one or more non-affiliates, pursuant to which such party or parties acquire all or substantially all of the Company's assets determined on a consolidated basis.

(j) Notwithstanding any other provision of this Warrant, in the event of a Reverse Merger (as defined in the Note), other than in connection with a Qualified Financing, this Warrant shall be exercisable into that number of shares of Common Stock, with a Per Share Warrant Price in each case determined in accordance with, and on the same terms and conditions, as provided for in the event of a Qualified Financing, provided that for purposes thereof, the Lowest Price Paid shall be deemed equal to the quotient obtained by dividing (i) the aggregate consideration accorded to the Company in the Reverse Merger less the unpaid principal and interest on the Bridge Notes by (ii) the number of shares of Common Stock then outstanding, on a fully diluted basis excluding the Warrant issued pursuant to the Placement Agency Agreement but including all options and warrants outstanding immediately prior to consummation of the Reverse Merger.

4. Fully Paid Stock; Taxes.

The Warrant Shares represented by each and every certificate for Warrant Shares delivered on the exercise of this Warrant shall, subject to compliance by the Holder with the terms hereof, at the time of such delivery, be duly authorized, validly issued and outstanding, fully paid and nonassessable, and not subject to preemptive rights or rights of first refusal imposed by any agreement to which the Company is a party, and the Company will take all such actions as may be necessary to assure that the par value, if any, per share of Warrant Shares is at all times equal to or less than the then Per Share Warrant Price. The Company shall pay, when due and payable, any and all Federal and state stamp, original issue or similar taxes which may be payable in respect of the issue of any Warrant Share or any certificate thereof to the extent required because of the issuance by the Company of such security.

5. Registration Under the Act.

(a) The Holder shall have the right to participate in the registration rights granted to purchasers in the Offering pursuant to Article V of those certain Note Purchase Agreements by and between the Company and each such purchaser in the Offering.

(b) Until all of the Warrant Shares and any shares of Common Stock issuable thereunder have been sold under a Registration Statement or pursuant to Rule 144(k), so

long as the Company's Common Stock remains registered under the Act, the Company shall use its commercially reasonable efforts to file with the Securities and Exchange Commission all current reports and the information as may be necessary to enable the Holder to effect sales of its shares in reliance upon Rule 144(k) promulgated under the Act.

(c) The Holder hereby agrees that in the case of an initial offering of the Common Stock to the public pursuant to an effective registration statement under the Securities Act (the "**IPO**"), the Holder will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, any shares of Common Stock issuable upon the conversion or exercise of this Warrant for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Holder will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

6. Investment Intent; Limited Transferability.

(a) By accepting this Warrant, the Holder represents to the Company that it understands that this Warrant and any securities obtainable upon exercise of this Warrant have not been registered for sale under Federal or state securities laws and are being offered and sold to the Holder pursuant to one or more exemptions from the registration requirements of such securities laws. In the absence of an effective registration of such securities or an exemption therefrom, any certificates for such securities shall bear the legend set forth on the first page hereof. The Holder understands that it must bear the economic risk of its investment in this Warrant and any securities obtainable upon exercise of this Warrant for an indefinite period of time, as this Warrant and such securities have not been registered under Federal or state securities laws and therefore cannot be sold unless subsequently registered under such laws, unless an exemption from such registration is available. The Holder further represents to the Company, by accepting this Warrant, that it has full power and authority to accept this Warrant and make the representations set forth herein.

(b) The Holder, by its acceptance of this Warrant, represents to the Company that it is an "accredited investor" with the meaning of Regulation D under the Act and is acquiring this Warrant and will acquire any securities obtainable upon exercise of this Warrant for its own account for investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Act. The Holder agrees, by acceptance of this Warrant, that this Warrant and any such securities issuable under this Warrant will not be sold or otherwise transferred unless (i) a registration statement with respect to such transfer is effective under the Act and any applicable state securities laws or (ii) such sale or transfer is made pursuant to one or more exemptions from the Act.

(c) In addition to the limitations set forth above and in accordance with the legend on the first page hereof, this Warrant may not be sold, transferred, assigned or

hypothecated by the Holder except in compliance with the provisions of the Act and the applicable state securities "blue sky" laws, and is so transferable only upon the books of the Company which it shall cause to be maintained for such purpose. The Company may treat the registered Holder of this Warrant as it appears on the Company's books at any time as the Holder for all purposes. The Company shall permit the Holder or its duly authorized attorney, upon written request during ordinary business hours, to inspect and copy or make extracts from its books showing the registered Holder of this Warrant. All warrants issued upon the transfer or assignment of this Warrant will be dated the same date as this Warrant, and all rights of the holder thereof shall be identical to those of the Holder unless, in each case, otherwise prohibited by applicable law.

(d) The Holder has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of this Warrant or the exercise of this Warrant; and (ii) the opportunity to request such additional information which the Company possesses or can acquire without unreasonable effort or expense.

(e) The Holder did not (i) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (ii) attend any seminar, meeting or investor or other conference whose attendees were, to such Holder's knowledge, invited by any general solicitation or general advertising.

(f) Either by reason of such Holder's business or financial experience or the business or financial experience of its professional advisors (who are unaffiliated with and who are not compensated by the Company or any affiliate, finder or selling agent of the Company, directly or indirectly), such Holder has the capacity to protect such Holder's interests in connection with the transactions contemplated by this Warrant and the Placement Agency Agreement. The Holder, by its acceptance of this Warrant, represents to the Company that it is able to fend for itself, can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in this Warrant. Holder also represents it has not been organized for the purpose of acquiring this Warrant.

7. Loss, etc., of Warrant.

Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and of indemnity reasonably satisfactory to the Company, if lost, stolen or destroyed, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver to the Holder a new Warrant of like date, tenor and denomination.

8. Warrant Holder Not Stockholder.

This Warrant does not confer upon the Holder any right to vote on or consent to or receive notice as a stockholder of the Company, as such, in respect of any matters whatsoever, nor any other rights or liabilities as a stockholder, prior to the exercise hereof; this Warrant does, however, require certain notices to Holder as set forth herein.

9. Notice.

No notice or other communication under this Warrant shall be effective or deemed to have been given unless, the same is in writing and is mailed by first-class mail, postage prepaid, or via recognized overnight courier with confirmed receipt, addressed to:

(a) the Company at Coronado Biosciences, Inc., 45 Rockefeller Plaza, Suite 2000, New York, NY 10111, Attn: President, or other such address as the Company has designated in writing to the Holder (with a copy to Cooley LLP, 4401 Eastgate Mall, San Diego, CA 92121, Attn: Jason Kent, Esq., fax: (858) 550-6420) or

(b) the Holder at [_____], or other such address as the Holder has designated in writing to the Company.

10. Headings.

The headings of this Warrant have been inserted as a matter of convenience and shall not affect the construction hereof.

11. Applicable Law.

This Warrant shall be governed by and construed in accordance with the law of the State of New York without giving effect to the principles of conflicts of law thereof.

12. Amendment, Waiver, etc.

Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought.

* * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by the undersigned duly authorized officer, this 27th day of July, 2009.

CORONADO BIOSCIENCES, INC.

By: _____

Gary Gemignani
Chief Financial Officer

SUBSCRIPTION *(cash)*

The undersigned, _____, pursuant to the provisions of the foregoing Warrant, hereby agrees to subscribe for and purchase _____ shares of the Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by said Warrant, and makes payment therefor in full at the price per share provided by said Warrant.

Dated: _____ Signature: _____

Address: _____

CASHLESS EXERCISE

The undersigned _____, pursuant to the provisions of the foregoing Warrant, hereby elects to exchange its Warrant for _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. pursuant to the Cashless Exercise provisions of the Warrant.

Dated: _____ Signature: _____

Address: _____

ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby sells, assigns and transfers unto _____ ("Transferee") the foregoing Warrant and all rights evidenced thereby, and does irrevocably constitute and appoint _____, attorney, to transfer said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the foregoing Warrant, Transferee shall become a Holder under said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

PARTIAL ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby assigns and transfers unto _____ ("Transferee") the right to purchase _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by the foregoing Warrant, and a proportionate part of said Warrant and the rights evidenced thereby, and does irrevocably constitute and appoint _____, attorney, to transfer such part of said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the proportionate part of foregoing Warrant, Transferee shall become a Holder under said proportionate part of said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

Exhibit 4.7

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAW. THIS WARRANT AND SUCH SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE PLEDGED, TRANSFERRED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR DELIVERY OF AN OPINION OF COUNSEL IN FORM AND SUBSTANCE REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE WITH THE ACT OR UNLESS SOLD IN FULL COMPLIANCE WITH RULE 144 UNDER THE ACT.

CORONADO BIOSCIENCES, INC.

Warrant for the Purchase of Shares of Common Stock

No. [__] [__] Shares

FOR VALUE RECEIVED, CORONADO BIOSCIENCES, INC., a Delaware corporation (the "**Company**"), hereby certifies that [_____] or [__] permitted assigns is entitled to purchase from the Company, at any time or from time to time up to and including 5:00 p.m. (Eastern Time) on the date that is the seventh (7th) anniversary of [_____], 2010 (to be referred to herein as the "**Initial Closing Date**" and the period following the Initial Closing Date up to and including the seven year anniversary of the Initial Closing Date to be referred to herein as the "**Exercise Period**") [__] shares of Common Stock (as defined below), at the Per Share Warrant Price (defined below). The "**Per Share Warrant Price**" shall, subject to adjustment as set forth herein, be equal to $8.39.

For purposes of this Warrant, (i) common stock, $0.001 par value per share, of the Company, is referred to as "**Common Stock**"; (ii) the shares of the Common Stock (subject to adjustment as set forth herein) purchasable hereunder are referred to as the "**Warrant Shares**"; (iii) the aggregate purchase price payable for the Warrant Shares purchasable hereunder is referred to as the "**Aggregate Warrant Price**"; (iv) this "**Warrant**" means this agreement evidencing the Holder's right to purchase Warrant Shares; (v) the holder of this Warrant is referred to as the "**Holder**"; and (vi) the then Current Market Price per share of the Common Stock (the "**Current Market Price**") shall be deemed to be the last reported sale price of the Common Stock on the Trading Day (as defined below) immediately prior to a particular date or, in case no such reported sales take place on such date, the average of the last reported bid and asked prices of the Common Stock on such date, in either case on the principal national securities exchange on which the Common Stock is admitted to trading or listed, or if not listed or admitted to trading on any such exchange, the per share sale price for the Common Stock in the over-the-counter market as reported on the Over-the-Counter Bulletin Board, by the National Quotation Bureau or similar organization, or if not so available, the fair market value of the Common Stock as determined in good faith by the Company's Board of Directors. A "**Trading**

Day" shall mean any day from 9:30 a.m. (New York City time) to 4:[__] p.m. (New York City time) on which shares of the Company's Common Stock are listed or quoted for trading as reported by Bloomberg L.P.

This Warrant was originally issued pursuant to that certain Placement Agency Agreement dated [_____] (the **"Placement Agency Agreement"**) between the Company and Paramount BioCapital, Inc. in connection with the offering referenced therein.

1. Exercise of Warrant.

(a) This Warrant may be exercised in whole at any time, or in part from time to time, by the Holder during the Exercise Period:

(i) by the surrender of this Warrant (with the subscription form at the end hereof duly executed) at the address set forth in subsection 9(a) hereof, together with proper payment of the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part, with payment for the Warrant Shares made by certified or official bank check payable to the order of, or wire transfer of immediately available funds to, the Company; or

(ii) by the surrender of this Warrant (with the cashless exercise form at the end hereof duly executed) (a "**Cashless Exercise**") at the address set forth in subsection 9(a) hereof. Such presentation and surrender shall be deemed a waiver of the Holder's obligation to pay the Aggregate Warrant Price, or the proportionate part thereof if this Warrant is exercised in part. In the event of a Cashless Exercise, the Holder shall exchange its Warrant for a number of Warrant Shares equal to that number of Warrant Shares equal to the quotient obtained by dividing [(A-B) (X)] by (A), where:

(A) = the then Current Market Price;

(B) = the Per Share Warrant Price;

(X) = the number of Warrant Shares issuable upon exercise of this Warrant in accordance with the terms of this Warrant by means of a cash exercise rather than a cashless exercise.

(b) If this Warrant is exercised in part, this Warrant must be exercised for a number of whole shares of the Common Stock and the Holder is entitled to receive a new Warrant covering the Warrant Shares that have not been exercised. Upon surrender of this Warrant in connection with the exercise of this Warrant pursuant to the terms hereof, the Company will (i) issue a certificate or certificates in the name of the Holder for the largest number of whole shares of Warrant Shares to which the Holder shall be entitled upon such exercise and, if this Warrant is exercised in whole, in lieu of any fractional share of the Common Stock to which the Holder shall be entitled, pay to the Holder cash in an amount equal to the fair value of such fractional share (determined in such reasonable manner as the Board of Directors of the Company shall determine), and (ii) deliver the other securities and properties receivable upon the exercise of this Warrant, or the proportionate part thereof, if this Warrant is exercised in part, pursuant to the provisions of this Warrant.

2. Reservation of Warrant Shares; Listing.

The Company agrees that, prior to the expiration of this Warrant, the Company shall at all times (a) have authorized and in reserve, and shall keep available, solely for issuance and delivery upon the exercise of this Warrant, the shares of the Common Stock and other securities and properties as from time to time shall be receivable upon the exercise of this Warrant, free and clear of all restrictions on sale or transfer, other than under Federal or state securities laws, and free and clear of all preemptive rights and rights of first refusal and (b) if the Company hereafter lists its Common Stock on any national securities exchange, use its commercially reasonable efforts to keep the Warrant Shares authorized for listing on such exchange upon notice of issuance.

3. Certain Adjustments.

(a) If, at any time or from time to time after the date of this Warrant, the Company shall issue or distribute to all holders of shares of Common Stock by reason of their ownership thereof, evidence of its indebtedness, any other securities of the Company or any cash, property or other assets (excluding a subdivision, combination or reclassification, or dividend or distribution payable in shares of Common Stock, referred to in subsection 3(b) (any such non-excluded event being herein called a "**Special Dividend**")), the Per Share Warrant Price shall be adjusted (effective immediately prior to such issuance or distribution but after the record date for such issuance or distribution) by multiplying the Per Share Warrant Price then in effect by a fraction, the numerator of which shall be the Current Market Price in effect on the record date for such issuance or distribution less the fair market value (as determined in good faith by the Company's Board of Directors) of the evidence of indebtedness, cash, securities or property, or other assets issued or distributed in such Special Dividend applicable to one share of Common Stock and the denominator of which shall be the Current Market Price in effect on the record date for such issuance or distribution. An adjustment made pursuant to this subsection 3(a) shall become effective immediately prior to the payment date but after the record date of any such Special Dividend. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(b) In case the Company shall hereafter (i) pay a dividend or make a distribution on its Common Stock in shares of Common Stock, (ii) subdivide its outstanding shares of Common Stock into a greater number of shares, (iii) combine or reverse-split its outstanding shares of Common Stock into a smaller number of shares or (iv) issue by reclassification of its Common Stock any shares of capital stock of the Company, then the Per Share Warrant Price and the number of Warrant Shares shall forthwith be proportionately decreased and increased, respectively, in the case of a subdivision, distribution or stock dividend, or proportionately increased and decreased, respectively, in the case of a combination or reverse stock split. Adjustments made pursuant to this subsection 3(b) shall become effective on the record date in the case of a dividend or distribution, and shall become effective immediately after the effective date in the case of a subdivision, combination or reclassification. If such dividend, distribution, subdivision or combination is not consummated in full, the Per Share Warrant Price and Warrant Shares shall be readjusted accordingly.

(c) In case of any capital reorganization or reclassification, or any consolidation or merger to which the Company is a party other than a merger or consolidation in which the Company is the surviving corporation, or in case of any sale or conveyance to another entity of all or substantially all of the assets of the Company, or in the case of any statutory exchange of securities with another corporation (including any exchange effected in connection with a merger of a third corporation into the Company but excluding any exchange of securities or merger with another corporation in which the Company is a surviving corporation and that does not result in any reclassification of or similar change in the Common Stock), the Holder of this Warrant shall have the right thereafter to receive on the exercise of this Warrant the kind and amount of securities, cash or other property which the Holder would have owned or have been entitled to receive immediately after such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance had this Warrant been exercised immediately prior to the effective date of such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and in any such case, if necessary, appropriate adjustment shall be made in the application of the provisions set forth in this Section 3 with respect to the rights and interests thereafter of the Holder of this Warrant to the end that the provisions set forth in this Section 3 shall thereafter correspondingly be made applicable, as nearly as may reasonably be, in relation to any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant. The above provisions of this subsection 3(c) shall similarly apply to successive reorganizations, reclassifications, consolidations, mergers, statutory exchanges, sales or conveyances. The Company shall require the issuer of any shares of stock or other securities or property thereafter deliverable on the exercise of this Warrant to be responsible for all of the agreements and obligations of the Company hereunder. Notice of any such reorganization, reclassification, consolidation, merger, statutory exchange, sale or conveyance and of said provisions so proposed to be made, shall be mailed to the Holder not less than twenty (20) days prior to such event. A sale of all or substantially all of the assets of the Company for a consideration consisting primarily of securities shall be deemed a consolidation or merger for the foregoing purposes.

(d) No adjustment in the Per Share Warrant Price shall be required unless such adjustment would require an increase or decrease of at least $0.01 per share of Warrant Shares; provided, however, that any adjustments which by reason of this subsection 3(d) are not required to be made shall be carried forward and taken into account in any subsequent adjustment; provided, further, however, that adjustments shall be required and made in accordance with the provisions of this Section 3 (other than this subsection 3(d)) not later than such time as may be required in order to preserve the tax-free nature of a distribution, if any, to the Holder of this Warrant or Warrant Shares issuable upon the exercise hereof. All calculations under this Section 3 shall be made to the nearest cent or to the nearest 1/100th of a share, as the case may be. Anything in this Section 3 to the contrary notwithstanding, the Company shall be entitled to make such reductions in the Per Share Warrant Price, in addition to those required by this Section 3, as it in its discretion shall deem to be advisable in order that any stock dividend, subdivision of shares or distribution of rights to purchase stock or securities convertible or exchangeable for stock hereafter made by the Company to its stockholders shall not be taxable.

(e) Whenever the Per Share Warrant Price is adjusted as provided in this Section 3 and upon any modification of the rights of the Holder in accordance with this Section 3, the Company shall promptly prepare a brief statement of the facts requiring such adjustment or modification and the manner of computing the same and cause copies of such certificate to be mailed to the Holder.

(f) If the Board of Directors of the Company shall declare any dividend or other distribution with respect to the Common Stock, the Company shall mail notice thereof to the Holder not less than ten (10) days prior to the record date fixed for determining stockholders entitled to participate in such dividend or other distribution.

(g) If, as a result of an adjustment made pursuant to this Section 3, the Holder of any Warrant thereafter surrendered for exercise shall become entitled to receive shares of two or more classes of capital stock or shares of Common Stock and other capital stock of the Company, the Board of Directors (whose determination shall be conclusive and shall be described in a written notice to the Holder promptly after such adjustment) shall determine, in good faith, the allocation of the adjusted Per Share Warrant Price between or among shares or such classes of capital stock or shares of Common Stock and other capital stock.

(h) In case any event shall occur as to which the other provisions of this Section 3 are not strictly applicable but as to which the failure to make any adjustment would not fairly protect the purchase rights represented by this Warrant in accordance with the essential intent and principles of the adjustments set forth in this Section 3 then, in each such case, the Board of Directors of the Company shall in good faith determine the adjustment, if any, on a basis consistent with the essential intent and principles established herein, necessary to preserve the purchase rights represented by the Warrant. Upon such determination, the Company will promptly mail a copy thereof to the Holder and shall make the adjustments described therein.

4. Fully Paid Stock; Taxes.

The Warrant Shares represented by each and every certificate for Warrant Shares delivered on the exercise of this Warrant shall, subject to compliance by the Holder with the terms hereof, at the time of such delivery, be duly authorized, validly issued and outstanding, fully paid and nonassessable, and not subject to preemptive rights or rights of first refusal imposed by any agreement to which the Company is a party, and the Company will take all such actions as may be necessary to assure that the par value, if any, per share of Warrant Shares is at all times equal to or less than the then Per Share Warrant Price. The Company shall pay, when due and payable, any and all Federal and state stamp, original issue or similar taxes which may be payable in respect of the issue of any Warrant Share or any certificate thereof to the extent required because of the issuance by the Company of such security.

5. Registration Under the Act.

(a) The Holder shall have the right to participate in the registration rights granted to purchasers in the Offering pursuant to Article V of those certain Purchase Agreements by and between the Company and each such purchaser in the Offering.

(b) Until all of the Warrant Shares and any shares of Common Stock issuable thereunder have been sold under a Registration Statement or pursuant to Rule 144(k), so long as the Company's Common Stock remains registered under the Act, the Company shall use its commercially reasonable efforts to file with the Securities and Exchange Commission all current reports and the information as may be necessary to enable the Holder to effect sales of its shares in reliance upon Rule 144(k) promulgated under the Act.

(c) The Holder hereby agrees that in the case of an initial offering of the Common Stock to the public pursuant to an effective registration statement under the Securities Act (the "**IPO**"), the Holder will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, any shares of Common Stock issuable upon the conversion or exercise of this Warrant for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Holder will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

6. Investment Intent; Limited Transferability.

(a) By accepting this Warrant, the Holder represents to the Company that it understands that this Warrant and any securities obtainable upon exercise of this Warrant have not been registered for sale under Federal or state securities laws and are being offered and sold to the Holder pursuant to one or more exemptions from the registration requirements of such securities laws. In the absence of an effective registration of such securities or an exemption therefrom, any certificates for such securities shall bear the legend set forth on the first page hereof. The Holder understands that it must bear the economic risk of its investment in this Warrant and any securities obtainable upon exercise of this Warrant for an indefinite period of time, as this Warrant and such securities have not been registered under Federal or state securities laws and therefore cannot be sold unless subsequently registered under such laws, unless an exemption from such registration is available. The Holder further represents to the Company, by accepting this Warrant, that it has full power and authority to accept this Warrant and make the representations set forth herein.

(b) The Holder, by its acceptance of this Warrant, represents to the Company that it is an "accredited investor" with the meaning of Regulation D under the Act and is acquiring this Warrant and will acquire any securities obtainable upon exercise of this Warrant for its own account for investment and not with a view to, or for sale in connection with, any distribution thereof in violation of the Act. The Holder agrees, by acceptance of this Warrant, that this Warrant and any such securities issuable under this Warrant will not be sold or otherwise transferred unless (i) a registration statement with respect to such transfer is effective under the Act and any applicable state securities laws or (ii) such sale or transfer is made pursuant to one or more exemptions from the Act.

(c) In addition to the limitations set forth above and in accordance with the legend on the first page hereof, this Warrant may not be sold, transferred, assigned or hypothecated by the Holder except in compliance with the provisions of the Act and the applicable state securities "blue sky" laws, and is so transferable only upon the books of the Company which it shall cause to be maintained for such purpose. The Company may treat the registered Holder of this Warrant as it appears on the Company's books at any time as the Holder for all purposes. The Company shall permit the Holder or its duly authorized attorney, upon written request during ordinary business hours, to inspect and copy or make extracts from its books showing the registered Holder of this Warrant. All warrants issued upon the transfer or assignment of this Warrant will be dated the same date as this Warrant, and all rights of the holder thereof shall be identical to those of the Holder unless, in each case, otherwise prohibited by applicable law.

(d) The Holder has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of this Warrant or the exercise of this Warrant; and (ii) the opportunity to request such additional information which the Company possesses or can acquire without unreasonable effort or expense.

(e) The Holder did not (i) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (ii) attend any seminar, meeting or investor or other conference whose attendees were, to such Holder's knowledge, invited by any general solicitation or general advertising.

(f) Either by reason of such Holder's business or financial experience or the business or financial experience of its professional advisors (who are unaffiliated with and who are not compensated by the Company or any affiliate, finder or selling agent of the Company, directly or indirectly), such Holder has the capacity to protect such Holder's interests in connection with the transactions contemplated by this Warrant and the Placement Agency Agreement. The Holder, by its acceptance of this Warrant, represents to the Company that it is able to fend for itself, can bear the economic risk of its investment and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in this Warrant. Holder also represents it has not been organized for the purpose of acquiring this Warrant.

7. Loss, etc., of Warrant.

Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and of indemnity reasonably satisfactory to the Company, if lost, stolen or destroyed, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver to the Holder a new Warrant of like date, tenor and denomination.

8. Warrant Holder Not Stockholder.

This Warrant does not confer upon the Holder any right to vote on or consent to or receive notice as a stockholder of the Company, as such, in respect of any matters whatsoever, nor any other rights or liabilities as a stockholder, prior to the exercise hereof; this Warrant does, however, require certain notices to Holder as set forth herein.

9. Notice.

No notice or other communication under this Warrant shall be effective or deemed to have been given unless, the same is in writing and is mailed by first-class mail, postage prepaid, or via recognized overnight courier with confirmed receipt, addressed to:

(a) the Company at Coronado Biosciences, Inc., Attn: President, 45 Rockefeller Plaza, Suite 2000, New York, NY 10111, or other such address as the Company has designated in writing to the Holder; or

(b) the Holder at [_____], or other such address as the Holder has designated in writing to the Company.

10. Headings.

The headings of this Warrant have been inserted as a matter of convenience and shall not affect the construction hereof.

11. Applicable Law.

This Warrant shall be governed by and construed in accordance with the law of the State of New York without giving effect to the principles of conflicts of law thereof.

12. Amendment, Waiver, etc.

Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument signed by the party against whom enforcement of any such amendment, waiver, discharge or termination is sought.

* * * * *

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by the undersigned duly authorized officer, this __ day of [____], 2010.

CORONADO BIOSCIENCES, INC.

By: _____

Gary Gemignani
Chief Financial Officer

SUBSCRIPTION *(cash)*

The undersigned, _____, pursuant to the provisions of the foregoing Warrant, hereby agrees to subscribe for and purchase _____ shares of the Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by said Warrant, and makes payment therefor in full at the price per share provided by said Warrant.

Dated: _____ Signature: _____

Address: _____

CASHLESS EXERCISE

The undersigned _____, pursuant to the provisions of the foregoing Warrant, hereby elects to exchange its Warrant for _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. pursuant to the Cashless Exercise provisions of the Warrant.

Dated: _____ Signature: _____

Address: _____

ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby sells, assigns and transfers unto _____ ("Transferee") the foregoing Warrant and all rights evidenced thereby, and does irrevocably constitute and appoint _____, attorney, to transfer said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the foregoing Warrant, Transferee shall become a Holder under said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

PARTIAL ASSIGNMENT

FOR VALUE RECEIVED _____ ("Assignor") hereby assigns and transfers unto _____ ("Transferee") the right to purchase _____ shares of Common Stock, par value $0.001 per share, of Coronado Biosciences, Inc. covered by the foregoing Warrant, and a proportionate part of said Warrant and the rights evidenced thereby, and does irrevocably constitute and appoint _____, attorney, to transfer such part of said Warrant on the books of Coronado Biosciences, Inc. By acceptance of the proportionate part of foregoing Warrant, Transferee shall become a Holder under said proportionate part of said Warrant and subject to the rights, obligations and representations of Holder set forth in said Warrant.

ASSIGNOR:

Dated: _____ Signature: _____

Address: _____

TRANSFEREE:

Dated: _____ Signature: _____

Address: _____

Exhibit 4.8

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, WHICH OPINION SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

No._____- _____, 2011

CORONADO BIOSCIENCES, INC.
Series C Convertible Preferred Stock Purchase Warrant

THIS CERTIFIES THAT, for value received, National Securities Corporation (the **"Holder"**), is entitled to subscribe for and purchase from Coronado Biosciences, Inc., a Delaware corporation (the "Company"), at any time prior to _____ __, 2016 (the "**Expiration Date**"), the Warrant Shares at the Exercise Price (each as defined in Section 1 below) and subject to the following terms and conditions.

This Warrant is being issued pursuant to that certain Placement Agency Agreement dated May 23, 2011, between the Company and National Securities Corporation (the **"Placement Agency Agreement"**) and in connection with the Company's private offering to accredited investors of its securities in accordance with, and subject to, the terms and conditions described in that certain Confidential Private Placement Memorandum, dated May 23, 2011, as the same may be amended and supplemented from time to time (the "**Private Placement Memorandum**"). All warrants that are issued to the Placement Agent and its designees are referred to herein, collectively, as the "Warrants" and the holders of the Warrants (as well as any subsequent Permitted Transferees and Permitted Designees) along with the Holder named herein, the "**Holders.**"

This Warrant is subject to the following terms and conditions:

1. Shares. The Holder has, subject to the terms set forth herein, the right to purchase, at any time at any time and from time to time on or after the date hereof to and including the Expiration Date, up to _____(_____) shares (the "**Warrant Shares**") of the Company's Series C Convertible Preferred Stock, par value $.001 per share ("Series C Preferred"), at a per share exercise price of $5.59 (the "**Exercise Price**"). The Exercise Price is subject to adjustment as provided in Section 3 hereof.

2. Exercise of Warrant.

(a) Exercise. This Warrant may be exercised by the Holder at any time and from time to time on or after the date hereof to and including the Expiration Date. At 5:00 p.m., (New York City time) on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value and this Warrant shall be terminated and no longer be outstanding. The Holder may exercise this Warrant, in whole or in part, by delivering the notice of exercise attached as Exhibit A hereto (the **"Notice of Exercise"**), duly executed by the Holder to the Company at its principal office, or at such other office as the Company may designate, accompanied by payment, in cash or by wire transfer of immediately available funds or by check payable to the order of the Company, of the amount obtained by multiplying the number of Warrant Shares designated in the Notice of Exercise by the Exercise Price (the "Purchase Price"). For purposes hereof, "Exercise Date" shall mean the date on which all deliveries required to be made to the Company upon exercise of this Warrant pursuant to this Section 2(a) shall have been made.

(b) Exercise by Surrender of Warrant. In addition to the method of payment set forth in Section 2(a) and in lieu of any cash payment required thereunder, the Holder shall have the right at any time, at any time up to the Expiration Date, to exercise this Warrant, in whole or in part, by surrendering this Warrant in exchange for the number of shares of Series C Preferred computed by using the following formula:

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

Where X = the number of shares of Series C Preferred to be issued to the Holder pursuant to the net exercise.

Y = the number of shares of Series C Preferred subject to the Warrant being exercised or, if only a portion of such Warrant is being exercised, the portion of such Warrant being canceled (at the time of such calculation).

A = the Fair Market Value of one share of Series C Preferred (at the date of such calculation).

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

For purposes of this Section 2(b), the "Fair Market Value" of one share of Series C Preferred shall mean:

(i) If the Company's Common Stock is traded Over-The-Counter or Nasdaq or on any other exchange, the per share Fair Market Value for the Series C Preferred Stock will be the average of the closing bid prices of the Common Stock quoted in the Over-The-Counter Market or the closing prices quoted on Nasdaq or any other exchange on which the Common Stock is listed, whichever is applicable, as published in the The Wall Street Journal for the ten (10) trading days prior to the

date of determination of Fair Market Value multiplied by the number of shares of Common Stock into which each share of Series C Preferred Stock is then convertible; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which the Company is not the surviving entity, the per share Fair Market Value for the Series C Preferred Stock shall be the value to be received per share of Series C Preferred Stock by all holders of the Series C Preferred Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Series C Preferred Stock shall be as determined in good faith by the Company's Board of Directors.

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 the Warrant Shares shall be deemed to have commenced, on the date this Warrant was originally issued to the Holder (provided the U.S. Securities and Exchange Commission continues to take the position that such treatment is proper at the time of such exercise).

(c) Issuance of Certificates. As soon as practicable after the exercise of this Warrant, in whole or in part, in accordance with Section 2 hereof, the Company, at its expense, shall cause to be issued in the name of and delivered to the Holder (i) a certificate or certificates for the number of fully paid and non-assessable Warrant Shares to which the Holder shall be entitled upon such exercise and, if applicable, (ii) a new warrant of like tenor to purchase all of the Warrant Shares that may be purchased pursuant to the portion, if any, of this Warrant not exercised by the Holder. The Holder shall for all purposes hereof be deemed to have become the Holder of record of such Warrant Shares on the date on which the Notice of Exercise and payment of the Purchase Price in accordance with Section 2 hereof were delivered and made, respectively, irrespective of the date of delivery of such certificate or certificates, except that if the date of such delivery, notice and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of record of such Warrant Shares at the close of business on the next succeeding date on which the stock transfer books are open.

(d) Exercise Disputes. In the case of any dispute with respect to the number of Warrant Shares to be issued upon exercise of this Warrant, the Company shall cause its Transfer Agent to promptly issue such number of Warrant Shares that is not disputed and shall submit the disputed determinations or arithmetic calculations to the Holder via fax (or, it the Holder has not provided the Company with a fax number, by overnight courier) within five (5) Business Days of receipt of the Holder's election to purchase Warrant Shares. If the Holder and the Company are unable to agree as to the determination of the Exercise Price within five (5) Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall in accordance with this Section, submit via facsimile the disputed determination to its independent auditor. The Company shall cause its independent auditor to perform the determinations or calculations and notify the Company and the Holder of the results promptly, in writing and in sufficient detail to give the Holder and the Company a

clear understanding of the issue. The determination by the Company's independent auditor shall be binding upon all parties absent manifest error. If additional shares are required to be issued to the Holder based on the Company's independent auditor's determination, the Company shall then on the next Business Day instruct its Transfer Agent to issue certificate(s) representing the appropriate number of Warrant Shares in accordance with the independent auditor's determination and this Section.

(e) Taxes. The issuance of the Warrant Shares upon the exercise of this Warrant, and the delivery of certificates or other instruments representing such Warrant Shares, shall be made without charge to the Company for any tax or other charge of whatever nature in respect of such issuance, and the Holder shall bear any such taxes in respect of such issuance.

3. Adjustment of Exercise Price and Number of Warrant Shares.

(a) Adjustment for Reclassification, Consolidation or Merger. If while this Warrant, or any portion hereof, remains outstanding and unexpired there shall be (i) a reorganization or recapitalization (other than a combination, reclassification, exchange or subdivision of shares otherwise provided for herein), (ii) a merger or consolidation of the Company with or into another corporation or other entity in which the Company shall not be the surviving entity, or a reverse merger in which the Company shall be the surviving entity but the shares of the Company's capital stock outstanding immediately prior to the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (iii) a sale or transfer of the Company's properties and assets as, or substantially as, an entirety to any other corporation or other entity in one transaction or a series of related transactions, then, as a part of such reorganization, recapitalization, merger, consolidation, sale or transfer, unless otherwise directed by the Holder, all necessary or appropriate lawful provisions shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Exercise Price then in effect, the greatest number of shares of capital stock or other securities or property that a holder of the Warrant Shares deliverable upon exercise of this Warrant would have been entitled to receive in such reorganization, recapitalization, merger, consolidation, sale or transfer if this Warrant had been exercised immediately prior to such reorganization, recapitalization, merger, consolidation, sale or transfer, all subject to further adjustment as provided in this Section 3; provided, however that notwithstanding the foregoing, if all of the Company's outstanding securities are acquired in an all-cash transaction, the Holder hereby agrees that it may be paid the net value of this Warrant in cash based on the per share value paid to the other security holders in such transaction, and in accordance with the provisions herein. If the per share consideration payable to the Holder for Warrant Shares in connection with any such transaction is in a form other than cash or marketable securities, then the value of such consideration shall be determined in good faith by the Company's Board of Directors (the "Board of Directors"). The foregoing provisions of this paragraph shall similarly apply to successive reorganizations, recapitalizations, mergers, consolidations, sales and transfers and to the capital stock or securities of any other corporation that are at the time receivable upon the exercise of this Warrant. In all events, appropriate adjustment shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the transaction, to the end that the provisions of this Warrant shall be applicable after that event, as near as reasonably may be, in relation to any

shares or other property deliverable or issuable after such reorganization, recapitalization, merger, consolidation, sale or transfer upon exercise of this Warrant.

(b) Adjustments for Split, Subdivision or Combination of Shares. If the Company shall at any time subdivide (by any stock split, stock dividend, recapitalization, reorganization, reclassification or otherwise) the shares of Series C Preferred subject to acquisition hereunder, then, after the date of record for effecting such subdivision, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of shares of Series C Preferred subject to acquisition upon exercise of the Warrant will be proportionately increased. If the Company at any time combines (by reverse stock split, recapitalization, reorganization, reclassification or otherwise) the shares of Series C Preferred subject to acquisition hereunder, then, after the record date for effecting such combination, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of shares of Series C Preferred subject to acquisition upon exercise of the Warrant will be proportionately decreased.

(c) Adjustments for Dividends in Stock or Other Securities or Property. If while this Warrant, or any portion hereof, remains outstanding and unexpired, the holders of any class of securities as to which purchase rights under this Warrant exist at the time shall have received or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefor, other or additional stock or other securities or property (other than cash) of the Company by way of dividend, then and in each case, this Warrant shall represent the right to acquire, in addition to the number of shares of such class of security receivable upon exercise of this Warrant, and without payment of any additional consideration therefor, the amount of such other or additional stock or other securities or property (other than cash) of the Company that such holder would hold on the date of such exercise had it been the holder of record of the class of security receivable upon exercise of this Warrant on the date hereof and had thereafter, during the period from the date hereof to and including the date of such exercise, retained such shares and/or all other additional stock available to it as aforesaid during said period, giving effect to all adjustments called for during such period by the provisions of this Section 3.

(d) Notice of Adjustments. Upon any adjustment of the Exercise Price and any increase or decrease in the number of Warrant Shares purchasable upon the exercise of this Warrant, then, and in each such case, the Company, within thirty (30) days thereafter, shall give written notice thereof to the Holder at the address of such Holder as shown on the books of the Company, which notice shall state the Exercise Price as adjusted and, if applicable, the increased or decreased number of Warrant Shares purchasable upon the exercise of this Warrant, setting forth in reasonable detail the method of calculation of each.

(e) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest share, as applicable.

(f) Notice of Corporate Events. If the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Series C Preferred Stock, including without limitation any granting of rights or warrants to subscribe for or purchase any capital stock of the Company, (ii) authorizes or approves, or enters into any agreement

contemplating or solicits stockholder approval for any merger or consolidation or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then the Company shall deliver to the Holder a notice describing the material terms and conditions of such transaction, at least ten calendar days prior to the applicable record or effective date on which a person would need to hold Series C Preferred Stock in order to participate in or vote with respect to such transaction, and the Company will take all steps reasonably necessary in order to insure that the Holder is given the practical opportunity to exercise this Warrant prior to such time so as to participate in or vote with respect to such transaction; provided, however, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice.

4. Notices. All notices, requests, consents and other communications required or permitted under this Warrant shall be in writing and shall be deemed delivered (i) three business days after being sent by registered or certified mail, return receipt requested, postage prepaid or (ii) one business day after being sent via a reputable nationwide overnight courier service guaranteeing next business day delivery, in each case to the intended recipient as set forth below:

If to the Company to:

Coronado Biosciences, Inc.
45 Rockefeller Plaza, Suite 2000
New York NY 10111
Attention: Bobby W. Sandage, Jr., Ph.D., CEO
Fax: (212) 554-4355

With a copy (that shall not constitute notice) to:

Cooley LLP
500 Boylston Street
Boston, MA 02116-3736
Attention: Marc Recht
Fax: (617) 937-2400.

If to the Holder at its address as furnished in the Subscription Agreement.

Either party may give any notice, request, consent or other communication under this Warrant using any other means (including personal delivery, messenger service, telecopy, first class mail or electronic mail), but no such notice, request, consent or other communication shall be deemed to have been duly given unless and until it is actually received by the party for whom it is intended. Either party may change the address to which notices, requests, consents or other communications hereunder are to be delivered by giving the other party notice in the manner set forth in this Section 4.

5. Legends. Each certificate evidencing the Warrant Shares issued upon exercise of this Warrant shall be stamped or imprinted with a legend substantially in the following form:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, WHICH OPINION SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

6. Removal of Legend. Upon request of a holder of a certificate with the legends required by Section 5 hereof, the Company shall issue to such holder a new certificate therefor free of any transfer legend, if, with such request, the Company shall have received an opinion of counsel satisfactory to the Company in form and substance to the effect that any transfer by such holder of the Warrant Shares evidenced by such certificate will not violate the Act or any applicable state securities laws.

7. Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise hereunder. Instead, the Company shall round up, as nearly as practicable to the nearest whole Warrant Share, the number of Warrant Shares to be issued.

8. Rights of Stockholders. Except as expressly provided in Section 3(c) hereof, the Holder, as such, shall not be entitled to vote or receive dividends or be deemed the holder of the Warrant Shares or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value, consolidation, merger, conveyance, or otherwise) or to receive notice of meetings, or otherwise until this Warrant shall have been exercised and the Warrant Shares purchasable upon the exercise hereof shall have been issued, as provided herein.

9. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Series C Preferred, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (after giving effect to the adjustments and restrictions of Section 3, if any). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable. The Company will take all such action as may be necessary to assure that such shares of Series C Preferred may be issued as provided herein without violation

of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the Series C Preferred may be listed.

10. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a new Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction, or surrender of any mutilated Warrant, and customary and reasonable bond or indemnity, if requested. Applicants for a new Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe.

11. Miscellaneous.

(a) 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.

(b) Permitted Transfers and Assignments. Notwithstanding any provision to the contrary in this Section 11, 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 11(a) above), 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.

(c) Permitted Designees. Notwithstanding anything contained herein, the Company shall, upon written instructions from the Holder to be delivered to the Company within ninety (90) calendar days following the date of the issuance of this Warrant, transfer all or a portion of this Warrant to officers, directors, employees and other associated persons of the Holder and other registered dealers, agents and finders (collectively, "**Permitted Designees**"). Such transfer shall be effective upon delivery of this Warrant and the form of assignment attached hereto.

(d) Amendments and Waivers. The Company may, without the consent of the Holders (but with written notice to the Holders), by supplemental agreement or otherwise, (i) make any changes or corrections in this Warrant that are required to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or (ii) add to the covenants and agreements of the Company for the benefit of the Holders (including, without limitation, reduce the Exercise Price or extend the Expiration Date), or surrender any rights or power reserved to or conferred upon the Company in this Warrant; provided that, in the case of (i) or (ii), such changes or corrections shall not adversely affect the interests of Holders of then outstanding Warrants. This Warrant may also be amended or waived with the consent of the Company and the Holder.

(e) Governing Law; Venue; Waiver of Jury Trial. This Warrant shall be governed by and construed exclusively in accordance with the internal laws of the State of New York regard to the conflicts of laws principles thereof. The parties hereto hereby expressly and irrevocably agree that any suit or proceeding arising directly and/or indirectly pursuant to, arising out of or under this Warrant, shall be brought solely and exclusively in a federal or state court located in New York. By its execution hereof, the parties hereby expressly covenant and irrevocably submit to the in personam jurisdiction of the federal and state courts located in New York and agree that any process in any such action may be served upon any of them personally, or by certified mail or registered mail upon them or their agent, return receipt requested, with the same full force and effect as if personally served upon them in New York. The parties hereto expressly and irrevocably waive any claim that any such jurisdiction is not a convenient forum for any such suit or proceeding and any defense or lack of in personam jurisdiction with respect thereto. In the event of any such action or proceeding (including, but not limited to, any motions made), the party prevailing therein shall be entitled to payment from the other party hereto of its reasonable counsel fees and disbursements. The Company and Holders hereby waive all rights to a trial by jury.

(f) Partial Invalidity. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(g) Headings. The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer.

CORONADO BIOSCIENCES, INC.

By _____

Name:
Title:

Exhibit A

FORM OF EXERCISE NOTICE

(To be executed by the Holder to exercise the right to purchase shares of Series C Preferred Stock under the foregoing Warrant)

To: CORONADO BIOSCIENCES, INC.

The undersigned is the Holder of Warrant No. _____ (the "Warrant") issued by Coronado Biosciences, Inc., a Delaware corporation (the "Company"). Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

The Warrant is currently exercisable to purchase a total of _____ Warrant Shares.

(b) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(c) The holder shall make payment of the Exercise Price as follows (check one):

_____"Cash Exercise" under Section 2(a).

_____"Cashless Exercise" under Section 2(b).

(d) If the holder is making a Cash Exercise, the holder shall pay the sum of $_____ to the Company in immediately available funds in accordance with the terms of the Warrant.

(e) Pursuant to this exercise, the Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

(f) Following this exercise, the Warrant shall be exercisable to purchase a total of _____ Warrant Shares.

(g) The Holder represents that, as of the date of exercise:

i. the Warrant Shares being purchased pursuant to this Exercise Notice are being acquired solely for the Holder's own account and not as a nominee for any other party, for investment, and not with a view toward distribution or resale; and

ii. the Holder is an "accredited investor" as such term is defined in Rule 501(a)(1) of Regulation D promulgated by the U.S. Securities and Exchange Commission under the Securities Act.

(h) If the Holder cannot make the representations required in Section (h)(ii) above because it is factually incorrect, it shall be a condition to the exercise of the Warrant that the Company receive such other representations as the Company considers necessary, acting reasonably, to assure the Company that the issuance of securities upon exercise of this Warrant shall not violate any United States or other applicable securities laws.

Dated: _____,____

Name of Holder: _____
(Print)

By: _____
Name: _____
Title: _____
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the within Warrant to purchase _____ shares of Series C Preferred Stock of Coronado Biosciences, Inc. to which the within Warrant relates and appoints _____ attorney to transfer said right on the books of Coronado Biosciences, Inc. with full power of substitution in the premises.

The undersigned transferee agrees to be bound by the covenants of the Warrant Holder during the term of the Warrant.

The undersigned transferee agrees represents and warrants that:

i. the Warrant Shares being purchased pursuant to this Assignment are being acquired solely for the transferee's own account and not as a nominee for any other party, for investment, and not with a view toward distribution or resale; and

ii. the undersigned transferee is an "accredited investor" as such term is defined in Rule 501(a)(1) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act.

If the undersigned transferee cannot make the representations required in clause (ii) above because it is factually incorrect, it shall be a condition to the transfer of the Warrant that the Company receive such other representations as the Company considers necessary, acting reasonably, to assure the Company that the transfer of this Warrant shall not violate any United States or other applicable securities laws.

Dated: _____, ____

_____
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

_____
Address of Transferee

_____

_____

_____
Signature of Transferee

In the presence of:

_____ (Signature and Date)

Exhibit 4.9

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, WHICH OPINION SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

No. ____- _____, 2011

CORONADO BIOSCIENCES, INC.
Series C Convertible Preferred Stock Purchase Warrant

THIS CERTIFIES THAT, for value received, National Securities Corporation (the "**Holder"**), is entitled to subscribe for and purchase from Coronado Biosciences, Inc., a Delaware corporation (the "Company"), at any time prior to ____ __, 2016 (the "**Expiration Date**"), the Warrant Shares at the Exercise Price (each as defined in Section 1 below) and subject to the following terms and conditions.

This Warrant is being issued pursuant to that certain Placement Agency Agreement dated May 23, 2011, between the Company and National Securities Corporation (the **"Placement Agency Agreement"**) and in connection with the Company's private offering to accredited investors of its securities in accordance with, and subject to, the terms and conditions described in that certain Confidential Private Placement Memorandum, dated May 23, 2011, as the same may be amended and supplemented from time to time (the "**Private Placement Memorandum**"). All warrants that are issued to the Placement Agent and its designees are referred to herein, collectively, as the "Warrants" and the holders of the Warrants (as well as any subsequent Permitted Transferees and Permitted Designees) along with the Holder named herein, the "**Holders.**"

This Warrant is subject to the following terms and conditions:

1. Shares. The Holder has, subject to the terms set forth herein, the right to purchase, at any time at any time and from time to time on or after the date hereof to and including the Expiration Date, up to _____(__) shares (the "**Warrant Shares**") of the Company's Series C Convertible Preferred Stock, par value $.001 per share ("Series C Preferred"), at a per share exercise price of $5.59 (the "**Exercise Price**"). The Exercise Price is subject to adjustment as provided in Section 3 hereof.

2. Exercise of Warrant.

(a) Exercise. This Warrant may be exercised by the Holder at any time and from time to time on or after the date hereof to and including the Expiration Date. At 5:00 p.m., (New York City time) on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value and this Warrant shall be terminated and no longer be outstanding. The Holder may exercise this Warrant, in whole or in part, by delivering the notice of exercise attached as Exhibit A hereto (the "**Notice of Exercise**"), duly executed by the Holder to the Company at its principal office, or at such other office as the Company may designate, accompanied by payment, in cash or by wire transfer of immediately available funds or by check payable to the order of the Company, of the amount obtained by multiplying the number of Warrant Shares designated in the Notice of Exercise by the Exercise Price (the "Purchase Price"). For purposes hereof, "Exercise Date" shall mean the date on which all deliveries required to be made to the Company upon exercise of this Warrant pursuant to this Section 2(a) shall have been made.

(b) Exercise by Surrender of Warrant. In addition to the method of payment set forth in Section 2(a) and in lieu of any cash payment required thereunder, the Holder shall have the right at any time, at any time up to the Expiration Date, to exercise this Warrant, in whole or in part, by surrendering this Warrant in exchange for the number of shares of Series C Preferred computed by using the following formula:

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

Where X = the number of shares of Series C Preferred to be issued to the Holder pursuant to the net exercise.

Y = the number of shares of Series C Preferred subject to the Warrant being exercised or, if only a portion of such Warrant is being exercised, the portion of such Warrant being canceled (at the time of such calculation).

A = the Fair Market Value of one share of Series C Preferred (at the date of such calculation).

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

For purposes of this Section 2(b), the "Fair Market Value" of one share of Series C Preferred shall mean:

(i) If the Company's Common Stock is traded Over-The-Counter or Nasdaq or on any other exchange, the per share Fair Market Value for the Series C Preferred Stock will be the average of the closing bid prices of the Common Stock quoted in the Over-The-Counter Market or the closing prices quoted on Nasdaq or any other exchange on which the Common Stock is listed, whichever is applicable, as published in the The Wall Street Journal for the ten (10) trading days prior to the date of determination of Fair Market Value multiplied by the number of shares of Common Stock into which each share of Series C Preferred Stock is then convertible; or

(ii) In the event of an exercise in connection with a merger, acquisition or other consolidation in which the Company is not the surviving entity, the per share Fair Market Value for the Series C Preferred Stock shall be the value to be received per share of Series C Preferred Stock by all holders of the Series C Preferred Stock in such transaction as determined by the Board of Directors; or

(iii) In any other instance, the per share Fair Market Value for the Series C Preferred Stock shall be as determined in good faith by the Company's Board of Directors.

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 the Warrant Shares shall be deemed to have commenced, on the date this Warrant was originally issued to the Holder (provided the U.S. Securities and Exchange Commission continues to take the position that such treatment is proper at the time of such exercise).

(c) Issuance of Certificates. As soon as practicable after the exercise of this Warrant, in whole or in part, in accordance with Section 2 hereof, the Company, at its expense, shall cause to be issued in the name of and delivered to the Holder (i) a certificate or certificates for the number of fully paid and non-assessable Warrant Shares to which the Holder shall be entitled upon such exercise and, if applicable, (ii) a new warrant of like tenor to purchase all of the Warrant Shares that may be purchased pursuant to the portion, if any, of this Warrant not exercised by the Holder. The Holder shall for all purposes hereof be deemed to have become the Holder of record of such Warrant Shares on the date on which the Notice of Exercise and payment of the Purchase Price in accordance with Section 2 hereof were delivered and made, respectively, irrespective of the date of delivery of such certificate or certificates, except that if the date of such delivery, notice and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of record of such Warrant Shares at the close of business on the next succeeding date on which the stock transfer books are open.

(d) Exercise Disputes. In the case of any dispute with respect to the number of Warrant Shares to be issued upon exercise of this Warrant, the Company shall cause its Transfer Agent to promptly issue such number of Warrant Shares that is not disputed and shall submit the disputed determinations or arithmetic calculations to the Holder via fax (or, it the Holder has not provided the Company with a fax number, by overnight courier) within five (5) Business Days of receipt of the Holder's election to purchase Warrant Shares. If the Holder and the Company are unable to agree as to the determination of the Exercise Price within five (5) Business Days of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall in accordance with this Section, submit via facsimile the disputed determination to its independent auditor. The Company shall cause its independent auditor to perform the determinations or calculations and notify the Company and the Holder of the results promptly, in writing and in sufficient detail to give the Holder and the Company a

clear understanding of the issue. The determination by the Company's independent auditor shall be binding upon all parties absent manifest error. If additional shares are required to be issued to the Holder based on the Company's independent auditor's determination, the Company shall then on the next Business Day instruct its Transfer Agent to issue certificate(s) representing the appropriate number of Warrant Shares in accordance with the independent auditor's determination and this Section.

(e) Taxes. The issuance of the Warrant Shares upon the exercise of this Warrant, and the delivery of certificates or other instruments representing such Warrant Shares, shall be made without charge to the Company for any tax or other charge of whatever nature in respect of such issuance, and the Holder shall bear any such taxes in respect of such issuance.

3. Adjustment of Exercise Price and Number of Warrant Shares.

(a) Adjustment for Reclassification, Consolidation or Merger. If while this Warrant, or any portion hereof, remains outstanding and unexpired there shall be (i) a reorganization or recapitalization (other than a combination, reclassification, exchange or subdivision of shares otherwise provided for herein), (ii) a merger or consolidation of the Company with or into another corporation or other entity in which the Company shall not be the surviving entity, or a reverse merger in which the Company shall be the surviving entity but the shares of the Company's capital stock outstanding immediately prior to the merger are converted by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (iii) a sale or transfer of the Company's properties and assets as, or substantially as, an entirety to any other corporation or other entity in one transaction or a series of related transactions, then, as a part of such reorganization, recapitalization, merger, consolidation, sale or transfer, unless otherwise directed by the Holder, all necessary or appropriate lawful provisions shall be made so that the Holder shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the Exercise Price then in effect, the greatest number of shares of capital stock or other securities or property that a holder of the Warrant Shares deliverable upon exercise of this Warrant would have been entitled to receive in such reorganization, recapitalization, merger, consolidation, sale or transfer if this Warrant had been exercised immediately prior to such reorganization, recapitalization, merger, consolidation, sale or transfer, all subject to further adjustment as provided in this Section 3; provided, however that notwithstanding the foregoing, if all of the Company's outstanding securities are acquired in an all-cash transaction, the Holder hereby agrees that it may be paid the net value of this Warrant in cash based on the per share value paid to the other security holders in such transaction, and in accordance with the provisions herein. If the per share consideration payable to the Holder for Warrant Shares in connection with any such transaction is in a form other than cash or marketable securities, then the value of such consideration shall be determined in good faith by the Company's Board of Directors (the "Board of Directors"). The foregoing provisions of this paragraph shall similarly apply to successive reorganizations, recapitalizations, mergers, consolidations, sales and transfers and to the capital stock or securities of any other corporation that are at the time receivable upon the exercise of this Warrant. In all events, appropriate adjustment shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the transaction, to the end that the provisions of this Warrant shall be applicable after that event, as near as reasonably may be, in relation to any shares or other property deliverable or issuable after such reorganization, recapitalization, merger, consolidation, sale or transfer upon exercise of this Warrant.

(b) Adjustments for Split, Subdivision or Combination of Shares. If the Company shall at any time subdivide (by any stock split, stock dividend, recapitalization, reorganization, reclassification or otherwise) the shares of Series C Preferred subject to acquisition hereunder, then, after the date of record for effecting such subdivision, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of shares of Series C Preferred subject to acquisition upon exercise of the Warrant will be proportionately increased. If the Company at any time combines (by reverse stock split, recapitalization, reorganization, reclassification or otherwise) the shares of Series C Preferred subject to acquisition hereunder, then, after the record date for effecting such combination, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of shares of Series C Preferred subject to acquisition upon exercise of the Warrant will be proportionately decreased.

(c) Adjustments for Dividends in Stock or Other Securities or Property. If while this Warrant, or any portion hereof, remains outstanding and unexpired, the holders of any class of securities as to which purchase rights under this Warrant exist at the time shall have received or, on or after the record date fixed for the determination of eligible stockholders, shall have become entitled to receive, without payment therefor, other or additional stock or other securities or property (other than cash) of the Company by way of dividend, then and in each case, this Warrant shall represent the right to acquire, in addition to the number of shares of such class of security receivable upon exercise of this Warrant, and without payment of any additional consideration therefor, the amount of such other or additional stock or other securities or property (other than cash) of the Company that such holder would hold on the date of such exercise had it been the holder of record of the class of security receivable upon exercise of this Warrant on the date hereof and had thereafter, during the period from the date hereof to and including the date of such exercise, retained such shares and/or all other additional stock available to it as aforesaid during said period, giving effect to all adjustments called for during such period by the provisions of this Section 3.

(d) Notice of Adjustments. Upon any adjustment of the Exercise Price and any increase or decrease in the number of Warrant Shares purchasable upon the exercise of this Warrant, then, and in each such case, the Company, within thirty (30) days thereafter, shall give written notice thereof to the Holder at the address of such Holder as shown on the books of the Company, which notice shall state the Exercise Price as adjusted and, if applicable, the increased or decreased number of Warrant Shares purchasable upon the exercise of this Warrant, setting forth in reasonable detail the method of calculation of each.

(e) Calculations. All calculations under this Section 3 shall be made to the nearest cent or the nearest share, as applicable.

(f) Notice of Corporate Events. If the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Series C Preferred Stock, including without limitation any granting of rights or warrants to subscribe for or purchase any capital stock of the Company, (ii) authorizes or approves, or enters into any agreement

contemplating or solicits stockholder approval for any merger or consolidation or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then the Company shall deliver to the Holder a notice describing the material terms and conditions of such transaction, at least ten calendar days prior to the applicable record or effective date on which a person would need to hold Series C Preferred Stock in order to participate in or vote with respect to such transaction, and the Company will take all steps reasonably necessary in order to insure that the Holder is given the practical opportunity to exercise this Warrant prior to such time so as to participate in or vote with respect to such transaction; provided, however, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice.

4. Notices. All notices, requests, consents and other communications required or permitted under this Warrant shall be in writing and shall be deemed delivered (i) three business days after being sent by registered or certified mail, return receipt requested, postage prepaid or (ii) one business day after being sent via a reputable nationwide overnight courier service guaranteeing next business day delivery, in each case to the intended recipient as set forth below:

If to the Company to:

Coronado Biosciences, Inc.
45 Rockefeller Plaza, Suite 2000
New York NY 10111
Attention: Bobby W. Sandage, Jr., Ph.D., CEO
Fax: (212) 554-4355

With a copy (that shall not constitute notice) to:

Cooley LLP
500 Boylston Street
Boston, MA 02116-3736
Attention: Marc Recht
Fax: (617) 937-2400.

If to the Holder at its address as furnished in the Subscription Agreement.

Either party may give any notice, request, consent or other communication under this Warrant using any other means (including personal delivery, messenger service, telecopy, first class mail or electronic mail), but no such notice, request, consent or other communication shall be deemed to have been duly given unless and until it is actually received by the party for whom it is intended. Either party may change the address to which notices, requests, consents or other communications hereunder are to be delivered by giving the other party notice in the manner set forth in this Section 4.

5. Legends. Each certificate evidencing the Warrant Shares issued upon exercise of this Warrant shall be stamped or imprinted with a legend substantially in the following form:

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF ANY STATE AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, WHICH OPINION SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY.

6. Removal of Legend. Upon request of a holder of a certificate with the legends required by Section 5 hereof, the Company shall issue to such holder a new certificate therefor free of any transfer legend, if, with such request, the Company shall have received an opinion of counsel satisfactory to the Company in form and substance to the effect that any transfer by such holder of the Warrant Shares evidenced by such certificate will not violate the Act or any applicable state securities laws.

7. Fractional Shares. No fractional Warrant Shares will be issued in connection with any exercise hereunder. Instead, the Company shall round up, as nearly as practicable to the nearest whole Warrant Share, the number of Warrant Shares to be issued.

8. Rights of Stockholders. Except as expressly provided in Section 3(c) hereof, the Holder, as such, shall not be entitled to vote or receive dividends or be deemed the holder of the Warrant Shares or any other securities of the Company that may at any time be issuable on the exercise hereof for any purpose, nor shall anything contained herein be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value, consolidation, merger, conveyance, or otherwise) or to receive notice of meetings, or otherwise until this Warrant shall have been exercised and the Warrant Shares purchasable upon the exercise hereof shall have been issued, as provided herein.

9. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Series C Preferred, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from preemptive rights or any other contingent purchase rights of persons other than the Holder (after giving effect to the adjustments and restrictions of Section 3, if any). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued and fully paid and nonassessable. The Company will take all such action as may be necessary to assure that such shares of Series C Preferred may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the Series C Preferred may be listed.

10. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and substitution for this Warrant, a new Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction, or surrender of any mutilated Warrant, and customary and reasonable bond or indemnity, if requested. Applicants for a new Warrant under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Company may prescribe.

11. Miscellaneous.

(a) 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.

(b) Permitted Transfers and Assignments. Notwithstanding any provision to the contrary in this Section 11, 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 11(a) above), 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.

(c) Permitted Designees. Notwithstanding anything contained herein, the Company shall, upon written instructions from the Holder to be delivered to the Company within ninety (90) calendar days following the date of the issuance of this Warrant, transfer all or a portion of this Warrant to officers, directors, employees and other associated persons of the Holder and other registered dealers, agents and finders (collectively, "**Permitted Designees**"). Such transfer shall be effective upon delivery of this Warrant and the form of assignment attached hereto.

(d) Amendments and Waivers. The Company may, without the consent of the Holders (but with written notice to the Holders), by supplemental agreement or otherwise, (i) make any changes or corrections in this Warrant that are required to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein or (ii) add to the covenants and agreements of the Company for the benefit of the Holders (including, without limitation, reduce the Exercise Price or extend the Expiration Date), or surrender any rights or power reserved to or conferred upon the Company in this Warrant; provided that, in the case of (i) or (ii), such changes or corrections shall not adversely affect the interests of Holders of then outstanding Warrants. This Warrant may also be amended or waived with the consent of the Company and the Holder.

(e) Governing Law; Venue; Waiver of Jury Trial. This Warrant shall be governed by and construed exclusively in accordance with the internal laws of the State of New York regard to the conflicts of laws principles thereof. The parties hereto hereby expressly and irrevocably agree that any suit or proceeding arising directly and/or indirectly pursuant to, arising out of or under this Warrant, shall be brought solely and exclusively in a federal or state court located in New York. By its execution hereof, the parties hereby expressly covenant and irrevocably submit to the in personam jurisdiction of the federal and state courts located in New York and agree that any process in any such action may be served upon any of them personally, or by certified mail or registered mail upon them or their agent, return receipt requested, with the same full force and effect as if personally served upon them in New York. The parties hereto expressly and irrevocably waive any claim that any such jurisdiction is not a convenient forum for any such suit or proceeding and any defense or lack of in personam jurisdiction with respect thereto. In the event of any such action or proceeding (including, but not limited to, any motions made), the party prevailing therein shall be entitled to payment from the other party hereto of its reasonable counsel fees and disbursements. The Company and Holders hereby waive all rights to a trial by jury.

(f) Partial Invalidity. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

(g) Headings. The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Warrant to be signed by its duly authorized officer.

CORONADO BIOSCIENCES, INC.

By _____

Name:
Title:

Exhibit A

FORM OF EXERCISE NOTICE

(To be executed by the Holder to exercise the right to purchase shares of Series C Preferred Stock under the foregoing Warrant)

To: CORONADO BIOSCIENCES, INC.

The undersigned is the Holder of Warrant No. ____ (the "Warrant") issued by Coronado Biosciences, Inc., a Delaware corporation (the "Company"). Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

The Warrant is currently exercisable to purchase a total of _____ Warrant Shares.

(b) The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

(c) The holder shall make payment of the Exercise Price as follows (check one):

_____"Cash Exercise" under Section 2(a).

_____"Cashless Exercise" under Section 2(b).

(d) If the holder is making a Cash Exercise, the holder shall pay the sum of $____ to the Company in immediately available funds in accordance with the terms of the Warrant.

(e) Pursuant to this exercise, the Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant.

(f) Following this exercise, the Warrant shall be exercisable to purchase a total of _____ Warrant Shares.

(g) The Holder represents that, as of the date of exercise:

i. the Warrant Shares being purchased pursuant to this Exercise Notice are being acquired solely for the Holder's own account and not as a nominee for any other party, for investment, and not with a view toward distribution or resale; and

ii. the Holder is an "accredited investor" as such term is defined in Rule 501(a)(1) of Regulation D promulgated by the U.S. Securities and Exchange Commission under the Securities Act.

(h) If the Holder cannot make the representations required in Section (h)(ii) above because it is factually incorrect, it shall be a condition to the exercise of the Warrant that the Company receive such other representations as the Company considers necessary, acting reasonably, to assure the Company that the issuance of securities upon exercise of this Warrant shall not violate any United States or other applicable securities laws.

Dated: _____, ____

Name of Holder: _____
(Print)

By: _____
Name: _____
Title: _____
(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

FORM OF ASSIGNMENT

[To be completed and signed only upon transfer of Warrant]

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the within Warrant to purchase _____ shares of Series C Preferred Stock of Coronado Biosciences, Inc. to which the within Warrant relates and appoints _____ attorney to transfer said right on the books of Coronado Biosciences, Inc. with full power of substitution in the premises.

The undersigned transferee agrees to be bound by the covenants of the Warrant Holder during the term of the Warrant.

The undersigned transferee agrees represents and warrants that:

i. the Warrant Shares being purchased pursuant to this Assignment are being acquired solely for the transferee's own account and not as a nominee for any other party, for investment, and not with a view toward distribution or resale; and

ii. the undersigned transferee is an "accredited investor" as such term is defined in Rule 501(a)(1) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act.

If the undersigned transferee cannot make the representations required in clause (ii) above because it is factually incorrect, it shall be a condition to the transfer of the Warrant that the Company receive such other representations as the Company considers necessary, acting reasonably, to assure the Company that the transfer of this Warrant shall not violate any United States or other applicable securities laws.

Dated: _____, ____

_____

(Signature must conform in all respects to name of holder as specified on the face of the Warrant)

_____

Address of Transferee

_____

_____

_____

Signature of Transferee

In the presence of:

_____

(Signature and Date)

Exhibit 4.10

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO SUCH SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

CORONADO BIOSCIENCES, INC.

WARRANT TO PURCHASE COMMON STOCK

No. CW- **, 20**

VOID AFTER , 20

THIS CERTIFIES THAT, for value received, [ ] (the "***Holder***"), is entitled to subscribe for and purchase from **CORONADO BIOSCIENCES, INC.**, a Delaware corporation, with its principal office at 45 Rockefeller Plaza, Suite 2000, New York, NY 10111 (the "***Company***"), [ ] Exercise Shares at the Exercise Price (each subject to adjustment as provided herein). This Warrant is issued to Holder pursuant to (and conditional upon Holder's execution and delivery of) [ ].

1. DEFINITIONS. As used herein, the following terms shall have the following respective meanings:

(a) "***Acquisition***" shall mean (A) any transaction or series of related transactions, pursuant to which such party or parties acquire capital stock of the Company or the surviving entity possessing the voting power to elect a majority of the board of directors of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's capital stock or otherwise); provided that an Acquisition shall not include any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or any successor or indebtedness of the Company is cancelled or converted or a combination thereof.

(b) "***Asset Transfer***" shall mean any transaction or series of related transactions that results in a sale, lease, license, transfer or other disposition of 30% or more of the Company determined on a consolidated basis.

(c) "***Exercise Period***" shall mean the period commencing with the date hereof and ending five years later, unless sooner terminated as provided below.

(d) "***Exercise Price***" shall mean $[ ] per Exercise Share subject to adjustment pursuant to Section 5 below.

(e) "***Exercise Shares***" shall mean shares of the Company's Common Stock issuable upon exercise of this Warrant.

2. EXERCISE OF WARRANT. The rights represented by this Warrant may be exercised in whole or in part at any time during the Exercise Period, by delivery of the following

to the Company at its address set forth above (or at such other address as it may designate by notice in writing to the Holder):

(a) An executed Notice of Exercise in the form attached hereto;

(b) Payment of the Exercise Price either (i) in cash or by check, or (ii) by cancellation of indebtedness; and

(c) This Warrant.

Upon the exercise of the rights represented by this Warrant, a certificate or certificates for the Exercise Shares so purchased, registered in the name of the Holder or persons affiliated with the Holder, if the Holder so designates, shall be issued and delivered to the Holder within a reasonable time after the rights represented by this Warrant shall have been so exercised. In the event that this Warrant is being exercised for less than all of the then-current number of Exercise Shares purchasable hereunder, the Company shall, concurrently with the issuance by the Company of the number of Exercise Shares for which this Warrant is then being exercised, issue a new Warrant exercisable for the remaining number of Exercise Shares purchasable hereunder.

The person in whose name any certificate or certificates for Exercise Shares are to be issued upon exercise of this Warrant shall be deemed to have become the holder of record of such shares on the date on which this Warrant was surrendered and payment of the Exercise Price was made, irrespective of the date of delivery of such certificate or certificates, except that, if the date of such surrender and payment is a date when the stock transfer books of the Company are closed, such person shall be deemed to have become the holder of such shares at the close of business on the next succeeding date on which the stock transfer books are open.

2.1 Net Exercise. Notwithstanding any provisions herein to the contrary, if the fair market value of one Exercise Share is greater than the Exercise Price (at the date of calculation as set forth below), in lieu of exercising this Warrant by payment of cash, the Holder may elect to receive shares equal to the value (as determined below) of this Warrant (or the portion thereof being canceled) by surrender of this Warrant at the principal office of the Company together with the properly endorsed Notice of Exercise in which event the Company shall issue to the Holder a number of Exercise Shares computed using the following formula:

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

Where X = the number of Exercise Shares to be issued to the Holder

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

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

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

For purposes of the above calculation, the fair market value of one Exercise Share shall be determined by the Company's Board of Directors in good faith; provided, however, that in the event that this Warrant is exercised pursuant to this Section 2.1 in connection with the Company's initial public offering of its Common Stock, the fair market value per share shall be the per share offering price to the public of the Company's initial public offering.

3. COVENANTS OF THE COMPANY AS TO EXERCISE SHARES. The Company covenants and agrees that all Exercise Shares that may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be validly issued and outstanding, fully paid and nonassessable, and free from all taxes, liens and charges with respect to the issuance thereof. The Company further covenants and agrees that the Company will at all times during the Exercise Period, have authorized and reserved, free from preemptive rights, a sufficient number of shares of the series of equity securities comprising the Exercise Shares to provide for the exercise of the rights represented by this Warrant. If at any time during the Exercise Period the number of authorized but unissued shares of such series of the Company's equity securities shall not be sufficient to permit exercise of this Warrant, the Company will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of such series of the Company's equity securities to such number of shares as shall be sufficient for such purposes.

4. REPRESENTATIONS OF HOLDER.

4.1 Acquisition of Warrant for Personal Account. The Holder represents and warrants that it is acquiring the Warrant and the Exercise Shares solely for its account for investment and not with a view to or for sale or distribution of said Warrant or Exercise Shares or any part thereof. The Holder also represents that the entire legal and beneficial interests of the Warrant and Exercise Shares the Holder is acquiring is being acquired for, and will be held for, its account only.

4.2 Information and Sophistication. Holder hereby: (i) acknowledges that it has received all the information it has requested from the Company and it considers necessary or appropriate for deciding whether to acquire this Warrant and the Exercise Shares, (ii) represents that it has had an opportunity to ask questions and receive answers from the Company regarding the financial condition of the Company and the risks associated with the acquisition of this Warrant and the Exercise Shares and (iii) further represents that it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risk of this investment.

4.3 Ability to Bear Economic Risk. Holder acknowledges that investment in the securities of the Company involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to hold the Exercise Shares for an indefinite period of time and to suffer a complete loss of its investment.

4.4 Securities Are Not Registered.

(a) The Holder understands that the Warrant and the Exercise Shares have not been registered under the Securities Act of 1933, as amended (the "***Act***") on the basis that no distribution or public offering of the stock of the Company is to be effected. The Holder

realizes that the basis for the exemption may not be present if, notwithstanding its representations, the Holder has a present intention of acquiring the securities for a fixed or determinable period in the future, selling (in connection with a distribution or otherwise), granting any participation in, or otherwise distributing the securities. The Holder has no such present intention.

(b) The Holder recognizes that the Warrant and the Exercise Shares must be held indefinitely unless they are subsequently registered under the Act or an exemption from such registration is available. The Holder recognizes that the Company has no obligation to register the Warrant or the Exercise Shares of the Company, or to comply with any exemption from such registration.

(c) The Holder is aware that neither the Warrant nor the Exercise Shares may be sold pursuant to Rule 144 adopted under the Act unless certain conditions are met, including, among other things, the existence of a public market for the shares, the availability of certain current public information about the Company, the resale following the required holding period under Rule 144 and the number of shares being sold during any three month period not exceeding specified limitations. Holder is aware that the conditions for resale set forth in Rule 144 have not been satisfied and that the Company presently has no plans to satisfy these conditions in the foreseeable future.

4.5 Disposition of Warrant and Exercise Shares.

(a) The Holder further agrees not to make any disposition of all or any part of the Warrant or Exercise Shares in any event unless and until:

(i) The Company shall have received a letter secured by the Holder from the Securities and Exchange Commission stating that no action will be recommended to the Commission with respect to the proposed disposition;

(ii) There is then in effect a registration statement under the Act covering such proposed disposition and such disposition is made in accordance with said registration statement; or

(iii) The Holder shall have notified the Company of the proposed disposition and shall have furnished the Company with a detailed statement of the circumstances surrounding the proposed disposition, and if reasonably requested by the Company, the Holder shall have furnished the Company with an opinion of counsel, reasonably satisfactory to the Company, for the Holder to the effect that such disposition will not require registration of such Warrant or Exercise Shares under the Act or any applicable state securities laws. The Company agrees that it will not require an opinion of counsel with respect to transactions under Rule 144 of the Securities Act of 1933, as amended, except in unusual circumstances.

(b) The Holder understands and agrees that all certificates evidencing the shares to be issued to the Holder may bear the following legend:

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "***ACT***"). THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT AS TO THE SECURITIES UNDER THE ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

5. ADJUSTMENT OF EXERCISE PRICE AND NUMBER OF EXERCISE SHARES. In the event of changes in the series of equity securities of the Company comprising the Exercise Shares by reason of stock dividends, splits, recapitalizations, reclassifications, combinations or exchanges of shares, separations, reorganizations, liquidations, or the like, the number and class of Exercise Shares available under the Warrant in the aggregate and the Exercise Price shall be correspondingly adjusted to give the Holder of the Warrant, on exercise for the same aggregate Exercise Price, the total number, class, and kind of shares as the Holder would have owned had the Warrant been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment; *provided, however,* that such adjustment shall not be made with respect to, and this Warrant shall terminate if not exercised prior to, the events set forth in Section 7 below. For purposes of this Section 5, the "***aggregate Exercise Price***" shall mean the aggregate Exercise Price payable in connection with the exercise in full of this Warrant. The form of this Warrant need not be changed because of any adjustment in the number of Exercise Shares subject to this Warrant.

6. FRACTIONAL SHARES. No fractional shares shall be issued upon the exercise of this Warrant as a consequence of any adjustment pursuant hereto. All Exercise Shares (including fractions) to be issued upon exercise of this Warrant shall be aggregated for purposes of determining whether the exercise would result in the issuance of any fractional share. If, after aggregation, the exercise would result in the issuance of a fractional share, the Company shall, in lieu of issuance of any fractional share, pay the Holder otherwise entitled to such fraction a sum in cash equal to the product resulting from multiplying the then current fair market value of one Exercise Share by such fraction.

7. EARLY TERMINATION. In the event of, at any time during the Exercise Period, an Acquisition or Asset Transfer, the Company shall provide to the Holder ten (10) days advance written notice of such Acquisition or Asset Transfer, and this Warrant shall terminate unless exercised immediately prior to the closing of such Acquisition or Asset Transfer.

8. MARKET STAND-OFF AGREEMENT. Holder shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any Common Stock (or other securities) of the Company held by Holder, for a period of time specified by the representative of the underwriters of Common Stock (or other securities) of the Company not to exceed 180 days following the effective date of a registration statement of the Company filed under the Act (or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar or successor regulatory rules and regulations). Holder agrees to execute and deliver such other agreements as may be reasonably requested by the Company and/or the managing underwriter(s) which are consistent with the foregoing or which are necessary to give

further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to such Common Stock (or other securities) until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 8 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

9. NO STOCKHOLDER RIGHTS. This Warrant in and of itself shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company.

10. TRANSFER OF WARRANT. Subject to applicable laws and the restriction on transfer set forth on the first page and Section 4.5 of this Warrant, this Warrant and all rights hereunder are transferable, by the Holder in person or by duly authorized attorney, upon delivery of this Warrant and the form of assignment attached hereto to any transferee designated by Holder. The transferee shall sign an investment letter in form and substance satisfactory to the Company.

11. LOST, STOLEN, MUTILATED OR DESTROYED WARRANT. If this Warrant is lost, stolen, mutilated or destroyed, the Company may, on such terms as to indemnity or otherwise as it may reasonably impose (which shall, in the case of a mutilated Warrant, include the surrender thereof), issue a new Warrant of like denomination and tenor as the Warrant so lost, stolen, mutilated or destroyed. Any such new Warrant shall constitute an original contractual obligation of the Company, whether or not the allegedly lost, stolen, mutilated or destroyed Warrant shall be at any time enforceable by anyone.

12. AMENDMENT. Any term of this Warrant may be amended or waived with the written consent of the Company and Holder.

13. NOTICES, ETC. All notices required or permitted hereunder shall be in writing and shall be deemed effectively given: (a) upon personal delivery to the party to be notified, (b) when sent by confirmed telex or facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at the address listed on the signature page and to Holder at the address provided to the Company or such other address as the Company or Holder may designate by 10 days advance written notice to the other parties hereto.

14. ACCEPTANCE. Receipt of this Warrant by the Holder shall constitute acceptance of and agreement to all of the terms and conditions contained herein.

15. GOVERNING LAW. This Warrant and all rights, obligations and liabilities hereunder shall be governed by and construed under the laws of the State of New York as applied to agreements among New York residents, made and to be performed entirely within the State of New York without giving effect to conflicts of laws principles.

IN WITNESS WHEREOF, the Company has caused this Warrant to be executed by its duly authorized officer as of [ ], 2011.

CORONADO BIOSCIENCES, INC.

By: _____

Name: Gary G. Gemignani

Title: Executive Vice President, Chief Operating Officer & Chief Financial Officer

Address:

45 Rockefeller Plaza, Suite 2000
New York, NY 10111

[SIGNATURE PAGE]

NOTICE OF EXERCISE

TO: CORONADO BIOSCIENCES, INC.

(1) ☐ The undersigned hereby elects to purchase shares of Common Stock (the "***Exercise Shares***") of **Coronado Biosciences, Inc.** (the "***Company***") pursuant to the terms of the attached Warrant, and tenders herewith payment of the exercise price in full, together with all applicable transfer taxes, if any.

☐ The undersigned hereby elects to purchase shares of Common Stock (the "***Exercise Shares***") of **Coronado Biosciences, Inc.** (the "***Company***") pursuant to the terms of the net exercise provisions set forth in Section 2.1 of the attached Warrant, and shall tender payment of all applicable transfer taxes, if any.

(2) Please issue a certificate or certificates representing said Exercise Shares in the name of the undersigned or in such other name as is specified below:

_____

(Name)

_____

(Address)

(3) The undersigned represents that (i) the aforesaid Exercise Shares are being acquired for the account of the undersigned for investment and not with a view to, or for resale in connection with, the distribution thereof and that the undersigned has no present intention of distributing or reselling such shares; (ii) the undersigned is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision regarding its investment in the Company; (iii) the undersigned is experienced in making investments of this type and has such knowledge and background in financial and business matters that the undersigned is capable of evaluating the merits and risks of this investment and protecting the undersigned's own interests; (iv) the undersigned understands that Exercise Shares issuable upon exercise of this Warrant have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the investment intent as expressed herein, and, because such securities have not been registered under the Securities Act, they must be held indefinitely unless subsequently registered under the Securities Act or an exemption from such registration is available; (v) the undersigned is aware that the aforesaid Exercise Shares may not be sold pursuant to Rule 144 adopted under the Securities Act unless certain conditions are met and until the undersigned has held the shares for the number of years prescribed by Rule 144, that among the conditions for use of the Rule is the availability of current information to the public about the Company and the Company has not made such information available and has no present plans to do so; and (vi) the undersigned agrees not to make any disposition of all or any part of the aforesaid shares of Exercise Shares unless and until there is then in effect a registration statement under the Securities Act covering such proposed disposition and such disposition is made in accordance with said registration statement, or, if

reasonably requested by the Company, the undersigned has provided the Company with an opinion of counsel satisfactory to the Company, stating that such registration is not required.

(Date)

(Signature)

(Print name)

ASSIGNMENT FORM

(To assign the foregoing Warrant, execute this form and supply required information. Do not use this form to purchase shares.)

FOR VALUE RECEIVED, the foregoing Warrant and all rights evidenced thereby are hereby assigned to

Name: _____
(Please Print)

Address: _____
(Please Print)

Dated: _____, 20__

Holder's
Signature: _____

Holder's
Address: _____

NOTE: The signature to this Assignment Form must correspond with the name as it appears on the face of the Warrant, without alteration or enlargement or any change whatever. Officers of corporations and those acting in a fiduciary or other representative capacity should file proper evidence of authority to assign the foregoing Warrant.

Exhibit 10.1

NOTE PURCHASE AGREEMENT

This **NOTE PURCHASE AGREEMENT** (this "Agreement") is made as of the last date set forth on the signature page hereof between **CORONADO BIOSCIENCES, INC.,** a Delaware corporation having its principal place of business at 4365 Executive Drive, Suite 1500 San Diego, CA 92121 (the "Company"), and the undersigned (the "Subscriber").

W I T N E S S E T H:

WHEREAS, the Company has retained Paramount BioCapital, Inc. (the "Placement Agent") to act as its exclusive placement agent, on a "best efforts, all or none" basis, in a private offering (the "Offering") of convertible promissory notes in substantially the form attached hereto as Exhibit A (the "Notes") included in the Minimum Offering (as defined below) and on a "best efforts" basis in the Offering of such Notes which will provide the Company with aggregate proceeds in excess of the Minimum Offering, and in connection therewith has authorized Paramount to engage one or more other firms to assist in finding qualified subscribers for the Notes (such other firms, if any, together with Paramount, the "Placement Agent");

WHEREAS, the terms of the Offering are summarized in that certain Confidential Offering Memorandum dated January 23, 2008 (together with all amendments, supplements, exhibits and appendices thereto, the "Memorandum");

WHEREAS, the Company desires to offer and sell a minimum of $500,000 aggregate principal amount of Notes (which, for this purpose, shall not include any Notes issued in consideration of any Converted Amount (as defined in the Memorandum) and is referred to as the "Minimum Offering") and a maximum of $5,500,000 aggregate principal amount of Notes (the "Maximum Offering"), with an option in favor of the Placement Agent and the Company to offer up to an additional $2,000,000 aggregate principal amount of Notes (the "Over-allotment," and together with the Maximum Offering, the "Maximum Amount") (such amount of Notes actually issued, the "Principal Loan Amount"). Upon a Qualified Financing (as defined in the Notes), a Sale of the Company (as defined in the Notes) or a Reverse Merger (as defined in the Notes), the Notes shall be subject to certain terms and conditions, in each case as defined and described in detail in the Notes; and

WHEREAS, the Company desires to enter into this Agreement to issue and sell the Notes and the Subscriber desires to purchase the principal amount of Notes set forth on the signature page hereto on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual representations and covenants hereinafter set forth, the parties hereto do hereby agree as follows:

I. SUBSCRIPTION FOR NOTES AND REPRESENTATIONS BY SUBSCRIBER

1.1 Subject to the terms and conditions hereinafter set forth, the Subscriber hereby irrevocably subscribes for and agrees to purchase from the Company that

portion of the aggregate principal amount of the Principal Loan Amount authorized to be issued by the Company set forth on the signature page hereto (the "Subscriber Loan Amount"), in the form of either (i) immediately available U.S. dollars in the amount of such Subscription Loan Amount or (ii) to the extent permitted by the Existing Notes (as defined in the Note), the conversion of the Converted Amount under the Existing Notes equal, in aggregate principal amount plus accrued and unpaid interest to but not including such Closing Date, to such Subscription Loan Amount, each delivered by wire transfer to:

Bank:	U.S. Bank Trust National Association
ABA Number:	091000022
Further Credit to Account Name:	U.S. Bank and Trust Corp Trust Acct
Account #:	180121167365
Final Beneficiary Recipient/Subacct:	Paramount BioCapital & Coronado Bio
SEI/Subacct Number:	120597000
Reference:	[Investor Name]
Attention:	Stefan Ronchetti 651-495-2148 (phone) 651-495-8087 (fax)

Upon acceptance by the Placement Agent and the Company of subscriptions for an amount of Notes equal to at least the Minimum Offering, the Placement Agent and the Company shall have the right at any time thereafter, prior to the Offering Termination Date (as defined in Section 3.2), to effect an initial closing with respect to the Offering (the "Initial Closing"). Thereafter, the Placement Agent and the Company shall continue to accept additional subscriptions for, and continue to have closings (together with the Initial Closing, each a "Closing" and the date thereof the "Closing Date") with respect to subscriptions for Notes from new or existing investors from time to time and at any time up to the Offering Termination Date.

The Subscriber understands that the Company's and the Placement Agent's respective officers, directors, employees and/or affiliates may purchase Notes in this Offering, which purchases may be used to satisfy the Minimum Offering. In addition, certain employees of the Placement Agent and its affiliates are current stockholders of the Company.

1.2 The Subscriber recognizes that the purchase of the Notes involves a high degree of risk including, but not limited to, the following: (a) the Company remains a development stage business with limited operating history and requires substantial funds in addition to the proceeds of the Offering; (b) an investment in the Company is highly speculative, and only investors who can afford the loss of their entire investment should consider investing in the Company and the Notes; (c) the Subscriber may not be able to liquidate its investment; (d) transferability of the Notes and the securities issuable upon conversion of the Notes (the Notes and such other securities sometimes hereinafter collectively referred to as the "Securities") is extremely limited; (e) in the event of a disposition of the Securities, the Subscriber could sustain the loss of its entire investment; and (f) the Company has not paid any dividends on its capital stock since its inception and does not anticipate paying any dividends in the foreseeable future. Without limiting the generality of the representations set forth in Section 1.5 below, the Subscriber represents that the Subscriber has carefully reviewed the section of the Memorandum captioned "Risk Factors."

1.3 The Subscriber represents that the Subscriber is an "accredited investor" as such term is defined in Rule 501 of Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as indicated by the Subscriber's responses to the questions contained in Article VII hereof, and that the Subscriber is able to bear the economic risk of an investment in the Securities. If the Subscriber is a natural person, the Subscriber has reached the age of majority in the state or other jurisdiction in which the Subscriber resides, has adequate means of providing for the Subscriber's current financial needs and contingencies, is able to bear the substantial economic risks of an investment in the Securities for an indefinite period of time, has no need for liquidity in such investment and, at the present time, could afford a complete loss of such investment.

1.4 The Subscriber hereby acknowledges and represents that (a) the Subscriber has sufficient knowledge and experience in business and financial matters, prior investment experience, including investment in securities that are non-listed, unregistered and/or not traded on a national securities exchange, or the Subscriber has employed the services of a "purchaser representative" (as defined in Rule 501 of Regulation D), attorney and/or accountant to read all of the documents furnished or made available by the Company both to the Subscriber and to all other prospective investors in the Securities in order to evaluate the merits and risks of such an investment on the Subscriber's behalf; (b) the Subscriber recognizes the highly speculative nature of this investment; and (c) the Subscriber is able to bear the economic risk that the Subscriber hereby assumes.

1.5 The Subscriber hereby acknowledges receipt and careful review of this Agreement, the Note and the Memorandum (which includes the Risk Factors), including all exhibits thereto (collectively referred to as the "Offering Materials") and hereby represents that the Subscriber has been furnished by the Company during the course of the Offering with all information regarding the Company, the terms and conditions of the Offering and any additional information that the Subscriber, its purchaser representative, attorney and/or accountant has requested or desired to know, and has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of the Company concerning the Company and the terms and conditions of the Offering.

1.6 (a) In making the decision to invest in the Securities, the Subscriber has relied solely upon the information provided by the Company in the Offering Materials. To the extent necessary, the Subscriber has retained, at its own expense, and relied upon appropriate professional advice regarding the investment, tax and legal merits and consequences of this Agreement and the purchase of the Securities hereunder. The Subscriber disclaims reliance on any statements made or information provided by any person or entity in the course of Subscriber's consideration of an investment in the Securities other than the Offering Materials. The Subscriber acknowledges and agrees that (i) the Company has prepared the Offering Materials and that no other person, including without limitation, the Placement Agent, has supplied any information for inclusion in the Offering Materials other than information furnished in writing to the Company by the Placement Agent specifically for inclusion in those parts of the

Offering Materials relating specifically to the Placement Agent, (ii) the Placement Agent has no responsibility for the accuracy or completeness of the Offering Materials and (iii) the Subscriber has not relied upon the independent investigation or verification, if any, that may have been undertaken by the Placement Agent.

(b) The Subscriber represents that (i) the Subscriber was contacted regarding the sale of the Securities by the Company or the Placement Agent (or an authorized agent or representative of the Company or the Placement Agent) with whom the Subscriber had a prior substantial pre-existing relationship and (ii) no Securities were offered or sold to it by means of any form of general solicitation or general advertising, and in connection therewith, the Subscriber did not (A) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (B) attend any seminar meeting or industry investor conference whose attendees were invited by any general solicitation or general advertising.

1.7 The Subscriber hereby represents that the Subscriber, either by reason of the Subscriber's business or financial experience or the business or financial experience of the Subscriber's professional advisors (who are unaffiliated with and not compensated by the Company or any affiliate or selling agent of the Company, including the Placement Agent, directly or indirectly), has the capacity to protect the Subscriber's own interests in connection with the transaction contemplated hereby.

1.8 The Subscriber hereby acknowledges that the Offering has not been reviewed by the United States Securities and Exchange Commission (the "SEC") nor any state regulatory authority since the Offering is intended to be exempt from the registration requirements of Section 5 of the Securities Act pursuant to Regulation D promulgated thereunder. The Subscriber understands that the Securities have not been registered under the Securities Act or under any state securities or "blue sky" laws and agrees not to sell, pledge, assign or otherwise transfer or dispose of the Securities unless they are registered under the Securities Act and under any applicable state securities or "blue sky" laws or unless an exemption from such registration is available.

1.9 The Subscriber understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of a claimed exemption under the provisions of the Securities Act and such state securities laws that depends, in part, upon the Subscriber's investment intention. The Subscriber hereby represents that the Subscriber is purchasing the Securities for the Subscriber's own account for investment and not with a view toward the resale or distribution to others. The Subscriber, if an entity, further represents that it was not formed for the purpose of purchasing the Securities.

1.10 The Subscriber understands that there is no public market for the Securities and that no market may develop for any of such Securities. The Subscriber understands that even if a public market develops for such Securities, Rule 144 ("Rule 144") promulgated under the Securities Act requires for non-affiliates, among other conditions, a minimum holding period prior to the resale (in limited amounts) of securities acquired in a non-public

offering without having to satisfy the registration requirements under the Securities Act. The Subscriber understands and hereby acknowledges that the Company is under no obligation to register any of the Securities under the Securities Act or any state securities or "blue sky" laws other than as set forth in Article V.

1.11 The Subscriber consents to the placement of a legend on any certificate or other document evidencing the Securities that such Securities have not been registered under the Securities Act or any state securities or "blue sky" laws and setting forth or referring to the restrictions on transferability and sale thereof contained in this Agreement. The Subscriber is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of such Securities. The legend to be placed on each certificate shall be in form substantially similar to the following:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES OR "BLUE SKY LAWS", AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED ABSENT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED."

1.12 The Subscriber hereby represents that the address of the Subscriber furnished by Subscriber on the signature page hereof is the Subscriber's principal residence if Subscriber is an individual or its principal business address if it is a corporation or other entity.

1.13 The Subscriber represents that the Subscriber has full power and authority (corporate, statutory and otherwise) to execute and deliver this Agreement and to purchase the Securities. This Agreement constitutes the legal, valid and binding obligation of the Subscriber, enforceable against the Subscriber in accordance with its terms.

1.14 If the Subscriber is a corporation, partnership, limited liability company, trust, employee benefit plan, individual retirement account, Keogh Plan, or other tax-exempt entity, (a) it is authorized and qualified to invest in the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so and (b) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

1.15 The Subscriber acknowledges that if he or she is a Registered Representative of a Financial Industry Regulatory Authority ("FINRA") member firm, he or she must give such firm the notice required by NASD Rule 3050, receipt of which must be acknowledged by such firm in Section 7.3 below.

1.16 Subject to the provision below, the Subscriber hereby agrees that in the case of an initial offering of the Company's securities to the public pursuant to an effective registration statement under the Securities Act (the "IPO"), the Subscriber will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, the Registrable Securities (as defined in Section 5.1) purchased or acquired by the Subscriber for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Subscriber will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

1.17 (a) The Subscriber agrees not to issue any public statement with respect to the Subscriber's investment or proposed investment in the Company or the terms of any agreement or covenant between them and the Company without the Company's prior written consent, except such disclosures as may be required under applicable law or under any applicable order, rule or regulation.

(b) The Company agrees not to disclose the names, addresses or any other information about the Subscribers, except as required by law, including without limitation the use of the name (but not the address) of the Subscriber in any registration statement filed pursuant to Article V in which the Subscriber's shares are included and the disclosure of such information in any subsequent offering memorandum if the Subscriber beneficially owns five percent (5%) or more of the Company's voting capital stock.

1.18 The Subscriber represents and warrants that it has not engaged, consented to or authorized any broker, finder or intermediary to act on its behalf, directly or indirectly, as a broker, finder or intermediary in connection with the transactions contemplated by this Agreement. The Subscriber hereby agrees to indemnify and hold harmless the Company from and against all fees, commissions or other payments owing to any such person or firm acting on behalf of such Subscriber hereunder.

1.19 The Subscriber agrees to hold the Company and its directors, officers, employees, affiliates, controlling persons and agents (including the Placement Agent and its officers, directors, employees, counsel, controlling persons and agents) and their respective heirs, representatives, successors and assigns harmless and to indemnify them against all liabilities, costs and expenses incurred by them as a result of (a) any sale or distribution of the Securities by the Subscriber in violation of the Securities Act or any applicable state or foreign securities or "blue sky" laws; or (b) any false representation or warranty or any breach or failure by the Subscriber to comply with any covenant made by the Subscriber in this Agreement (including the Confidential Investor Questionnaire contained in Article VII herein) or any other document furnished by the Subscriber to any of the foregoing in connection with this transaction; provided, however, that in no event shall any indemnity under this Subsection 1.19 exceed the aggregate principal amount of the Notes subscribed for by the Subscriber pursuant to this Agreement, except in the case of willful fraud by the Subscriber.

1.20 The Subscriber understands, acknowledges and agrees with the Company that this subscription may be rejected, in whole or in part, by the Company, in the sole and absolute discretion of the Company, at any time before the Closing Date notwithstanding prior receipt by the Subscriber of notice of acceptance of the Subscriber's subscription.

1.21 The Subscriber acknowledges that the information contained in the Offering Materials or otherwise made available to the Subscriber is confidential and non-public and agrees that all such information shall be kept in confidence by the Subscriber and neither used by the Subscriber for the Subscriber's personal benefit (other than in connection with this subscription) nor disclosed to any third party for any reason, notwithstanding that a Subscriber's subscription may not be accepted by the Company; provided, however, that (a) the Subscriber may disclose such information to its attorneys and advisors who may have a need for such information in connection with providing advice to the Subscriber with respect to its investment in the Company so long as such affiliates and advisors have an obligation of confidentiality, and (b) this obligation shall not apply to any such information that (i) is part of the public knowledge or literature and readily accessible at the date hereof, (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of this provision) or (iii) is received from third parties without an obligation of confidentiality (except third parties who disclose such information in violation of any confidentiality agreements or obligations, including, without limitation, any subscription or other similar agreement entered into with the Company).

1.22 The Subscriber represents that no authorization, approval, consent or license of any person is required to be obtained for the purchase of the Securities by the Subscriber, other than as have been obtained and are in full force and effect.

1.23 The Subscriber represents that the representations, warranties and agreements of the Subscriber contained herein and in any other writing delivered in connection with the transactions contemplated hereby shall be true and correct in all respects on the date hereof and as of the Closing Date on which the Subscriber purchases Notes as if made on and as of such date and shall survive the execution and delivery of this Agreement and the purchase of the Notes. The Subscriber agrees that the Company and the Placement Agent shall be entitled to rely on the representations, warranties and agreements of the Subscriber contained herein.

1.24 The Subscriber understands, acknowledges and agrees with the Company that, except as otherwise set forth herein, the subscription hereunder is irrevocable by the Subscriber, that, except as required by law, the Subscriber is not entitled to cancel, terminate or revoke this Agreement or any agreements of the Subscriber hereunder and that this Agreement and such other agreements shall survive the death or disability of the Subscriber 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 Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his/her heirs, executors, administrators, successors, legal representatives and permitted assigns.

1.25 The Subscriber understands, acknowledges and agrees with the Company that the Offering is intended to be exempt from registration under the Securities Act by virtue of the provisions of Regulation D thereunder, which is in part dependent upon the truth, completeness and accuracy of the representations and covenants made by the Subscriber in this Agreement.

1.26 (a) Any Subscriber subject to jurisdiction in the European Economic Area ("EEA") either (i) is a qualified investor for the purposes of Directive 2003/71/EC of the European Parliament and the Council (a "Qualified Investor"); that is, a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by any such jurisdiction to be considered as a qualified investor for the purposes of such directive, or (ii) it has notified the Placement Agent in writing that it is not a Qualified Investor;

(b) Any EEA Subscriber entering into this Agreement and acquiring Securities is either (i) acting on its own account and not for the account of or otherwise on behalf any other person or persons or (ii) if a Qualified Investor in the United Kingdom, it is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000;

(c) Any Subscriber, if in the United Kingdom, is (a) a person falling within Article 19(5) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO") or (b) a person falling within Article 49(2)(a) to (d) of the FPO;

(d) Each Subscriber acknowledges that neither the Placement Agent nor any person acting on its behalf is making any recommendations to it or advising it regarding the suitability or merits of purchasing Securities or any transaction it may enter into in connection with the offering of the Securities, and acknowledges that its participation in the offering of Securities is on the basis that it is not and will not be a client or customer of the Placement Agent and that neither the Placement Agent nor any person acting on its behalf has any duties or responsibilities to it for providing the protections afforded to their clients or customers or for providing advice in relation to the offering of the Securities.

II. REPRESENTATIONS BY AND COVENANTS OF THE COMPANY

The Company hereby represents and warrants to the Subscriber that:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as currently conducted. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the property owned or leased by it 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 in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, conditions (financial or otherwise), properties, assets or results of operations of the Company (a "Material Adverse Effect"). The Company does not have any subsidiaries.

2.2 Capitalization and Voting Rights. The authorized, issued and outstanding capital stock of the Company is as set forth in the Memorandum and all issued and outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable. Except as set forth in the Memorandum, there are no outstanding options, warrants, agreements, convertible securities, preemptive rights or other rights to subscribe for or to purchase any shares of capital stock of the Company. Except as set forth in the Offering Materials and as otherwise required by law, there are no restrictions upon the voting or transfer of any of the shares of capital stock of the Company pursuant to the Company's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), By-Laws or other governing documents or any agreement or other instruments to which the Company is a party or by which the Company is bound.

2.3 Authorization; Enforceability. The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company, its directors and stockholders necessary for the (i) authorization, execution, delivery and performance of this Agreement by the Company; and (ii) authorization, sale, issuance and delivery of the Notes contemplated hereby and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Notes, when issued and fully paid for in accordance with the terms of this Agreement, will be validly issued. Upon the issuance and delivery of the equity securities issuable upon conversion of the Notes in accordance with the terms thereof, such equity securities will be validly issued, fully paid and nonassessable. The issuance and sale of the Securities contemplated hereby will not give rise to any preemptive rights or rights of first refusal on behalf of any person which have not been waived in connection with this Offering.

2.4 No Conflict; Governmental Consents.

(a) Except as would not reasonably be expected to have a Material Adverse Effect or have been waived, the execution and delivery by the Company of this Agreement and the consummation of the transactions contemplated hereby will not result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Certificate of Incorporation or By-Laws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, approval, authorization or other order of any governmental authority or other third party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issue and sale

of the Securities, except as have been obtained or such filings as may be required to be made with the SEC and with any state or foreign blue sky or securities regulatory authority relating to an exemption from registration thereunder.

2.5 Licenses. Except as would not reasonably be expected to have a Material Adverse Effect, the Company has sufficient licenses, permits and other governmental authorizations currently required for the conduct of its business or ownership of properties and is in all material respects complying therewith.

2.6 Litigation. The Company knows of no pending or threatened legal or governmental proceedings against the Company which (i) adversely questions the validity of this Agreement or any agreements related to the transactions contemplated hereby or the right of the Company to enter into any of such agreements, or to consummate the transactions contemplated hereby or thereby or (ii) could, if there were an unfavorable decision, have a Material Adverse Effect. There is no action, suit, proceeding or investigation by the Company currently pending in any court or before any arbitrator or that the Company intends to initiate.

2.7 Investment Company. The Company is not an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder.

2.8 Placement Agent. The Company has engaged, consented to and authorized the Placement Agent to act as agent of the Company in connection with the transactions contemplated by this Agreement, in accordance with the Placement Agency Agreement (as defined in the Memorandum). The Company will pay the Placement Agent a commission in the form of both cash and warrants to purchase Common Stock as described in the Memorandum (the "Placement Warrants") and will reimburse the Placement Agent's reasonable out-of-pocket expenses incurred in connection with the Offering up to $75,000, and the Company agrees to indemnify and hold harmless the Subscribers from and against all fees, commissions or other payments owing by the Company to the Placement Agent or any other person or firm acting on behalf of the Company hereunder.

2.9 Financial Statements. The financial statements of the Company included in Appendix C to the Memorandum (the "Financial Statements") have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP") consistently applied throughout the periods covered thereby, except as may be otherwise specified in such Financial Statements or the notes thereto, and except that unaudited financial statements do not contain all footnotes and do not contain the cash flow statement required by GAAP, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal year-end audit adjustments. Since the date of the most recent balance sheet included as part of the Financial Statements, there has not been to the Company's knowledge: (i) any change in the assets, liabilities, financial condition or operations of the Company from that reflected in the Financial Statements, other than changes in the ordinary course of business, none of which individually or in the aggregate would reasonably be expected to have a Material Adverse Effect; or (ii) any other event or condition of any character

that, either individually or cumulatively, would reasonably be expected to have a Material Adverse Effect, except for the expenses incurred in connection with the transactions contemplated by this Agreement.

2.10 Title to Properties and Assets; Liens, Etc. The Company has good and marketable title to its properties and assets, including the properties and assets reflected in the most recent balance sheet included in the Financial Statements, and good title to its leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than (a) those resulting from taxes which have not yet become delinquent; (b) liens and encumbrances which do not materially detract from the value of the property subject thereto or materially impair the operations of the Company; (c) those that have otherwise arisen in the ordinary course of business; and (d) those that would not reasonably be expected to have a Material Adverse Effect. The Company is in compliance with all material terms of each lease to which it is a party or is otherwise bound.

2.11 Patents and Trademarks. Except as would not reasonably be expected to have a Material Adverse Effect or as disclosed in the Memorandum, to the Company's knowledge, (i) the Company owns or possesses adequate licenses or other rights to use all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, manufacturing processes, formulae, trade secrets, licenses, customer lists and know how (collectively, "Intellectual Property") , (ii) the Company has not received any communications alleging that the Company has violated or, by conducting its business as conducted, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or other proprietary rights or processes of any other person or entity, nor is the Company aware of any basis therefor and (iii) no claim is pending or, to the Company's knowledge after due inquiry, threatened to the effect that any Intellectual Property owned or licensed by the Company, or which the Company otherwise has the right to use, is invalid or unenforceable by the Company.

2.12 Obligations to Related Parties. Except as disclosed in the Memorandum or as would not reasonably be expected to have a Material Adverse Effect, there are no obligations of the Company to officers, directors, stockholders, or employees of the Company other than (a) for payment of salary or other compensation for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company, (c) standard indemnification provisions in the certificate of incorporation and by-laws, and (d) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under any stock option plan approved by the Board of Directors of the Company). Except as may be disclosed in the Financial Statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

2.13 Employee Relations; Employee Benefit Plans. The Company is not a party to any collective bargaining agreement or a union contract. The Company believes that its relations with its employees are good. No executive officer (as defined in Rule 501(f) of the Securities Act) of the Company has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. The Company is in compliance with all federal, state, local and foreign laws and regulations respecting

employment and employment practices, 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. Except as disclosed in the Memorandum, the Company does not maintain any compensation or benefit plan, agreement, arrangement or commitment (including, but not limited to, "employee benefit plans", as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) for any present or former employees, officers or directors of the Company or with respect to which the Company has liability or makes or has an obligation to make contributions, other than any such plans, agreements, arrangements or commitments made generally available to the Company's employees.

2.14 Environmental Laws. To its knowledge, the Company (i) is in compliance with any and all Environmental Laws (as hereinafter defined), (ii) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.15 Tax Status. To the best of the Company's knowledge, the Company (i) has made or filed all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the Company knows of no basis for any such claim.

2.16 Absence of Certain Changes. Since the date of the Memorandum, there has been no change in the business, operations, conditions (financial or otherwise), prospects, assets or results of operations of the Company or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect.

2.17 Ranking of Notes; Issuance of New Debt. On the Closing Date, the Notes will rank pari passu with all of the Company's existing indebtedness. Following the Closing Date, as long as any Note remains outstanding, the Company will not, without the prior written consent of the holders of Notes evidencing at least sixty-six and two-thirds percent (66 2/3%) of

the Principal Loan Amount then outstanding, incur indebtedness for borrowed money ("New Debt") in favor of any person or entity (each a "New Lender") which indebtedness is secured or otherwise senior in priority to any Note issued to any subscriber pursuant to this Agreement or any substantially similar agreement. No consent of the holders of Notes will be required for issuances by the Company of unsecured indebtedness that ranks pari passu with, or junior to, the Notes.

2.18 Disclosure. The information set forth in the Offering Materials as of the date hereof contains no untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

III. TERMS OF SUBSCRIPTION

3.1 The minimum purchase that may be made by any prospective investor shall be $50,000 aggregate principal amount of Notes. Subscriptions for investment below the minimum investment may be accepted at the discretion of the Placement Agent and the Company. The Company and the Placement Agent reserve the right to reject any subscription made hereby, in whole or in part, in their sole discretion. The Company's agreement with each Subscriber is a separate agreement and the sale of the Notes to each Subscriber is a separate sale.

3.2 Pending the sale of the Notes, all funds paid hereunder shall be deposited by the Company in escrow with US Bank Trust NA, having a branch at 100 Wall Street, Suite 1600, New York, New York 10005. This Offering will terminate on the earlier of (i) the Company's acceptance of subscriptions for the Maximum Amount, or (ii) February 29, 2008, unless terminated at an earlier time or extended by the mutual agreement of the Placement Agent and the Company without notice to prospective investors for up to an additional sixty (60) days (the "Offering Termination Date"). The Company reserves the right to withdraw or cancel this Offering and to accept or reject any subscription in whole or in part, in its sole discretion. The Subscriber hereby authorizes and directs the Company and the Placement Agent to direct the Escrow Agent to return any funds for unaccepted subscriptions to the same account from which the funds were drawn, without interest.

3.3 At any time after the Company has received subscriptions and related funds for the Minimum Offering (not including any subscriptions for any Converted Amount), but prior to the Offering Termination Date, the Company may conduct a Closing and may conduct subsequent Closings on an interim basis until the Maximum Amount has been obtained or until the Offering Termination Date. Each Closing shall occur at the offices of the Placement Agent at 787 Seventh Avenue, 48th Floor, New York, NY 10019.

3.4 The Note purchased by the Subscriber pursuant to this Agreement will be prepared for delivery to the Subscriber promptly following the Closing at which such purchase takes place. The Subscriber hereby authorizes and directs the Company to deliver the Note purchased by the Subscriber pursuant to this Agreement to the residential or business address indicated on the signature page hereto.

IV. CONDITIONS TO OBLIGATIONS OF THE PARTIES

4.1 In addition to the Company's right to reject, in whole or in part, any subscription at any time before the Closing Date, the Company's obligation to issue the Notes at each Closing to the applicable Subscriber is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of the Company to the extent permitted by law:

(a) The representations and warranties made by each Subscriber in Article I hereof shall be true and correct in all material respects.

(b) All covenants, agreements and conditions contained in this Agreement to be performed by such Subscriber on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(c) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(d) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Notes (except as otherwise provided in this Agreement).

4.2 The Subscriber's obligation to purchase the Notes at the Closing at which such purchase is to be consummated is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of each Subscriber to the extent permitted by law:

(a) The representations and warranties made by the Company in Article II hereof shall be true and correct in all material respects.

(b) The Minimum Amount (which shall not include any Converted Amount) shall have been subscribed for.

(c) All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(d) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(e) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Notes (except as otherwise provided in this Agreement).

(f) The Placement Agent shall have received an opinion of counsel to the Company addressed to the Subscribers (which the Placement Agent may be permitted to rely on as if it were addressed to it) containing certain opinions to be substantially as set forth in Exhibit B, which opinion will be subject to standard qualifications and assumptions.

(g) The Placement Agent shall have received an Officer's Certificate addressed to the Subscribers, signed by the authorized officer of the Company and dated as of the Closing. The certificate shall state, among other things, that the representations and warranties contained herein and in the Offering Materials are true and accurate in all material respects at such Closing Date with the same effect as though expressly made at such Closing Date and the Placement Agent shall be entitled to rely on such representations of the Company in the Offering Materials as if they were made directly to the Placement Agent.

V. REGISTRATION RIGHTS

5.1 Definitions. As used in this Agreement, the following terms shall have the following meanings.

(a) The term "Holder" shall mean any holder of Registrable Securities.

(b) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(c) The term "Registrable Securities" shall mean (i) the shares of equity securities issuable upon conversion of the Notes sold in the Offering (or any successor security); and (ii) any shares of equity securities issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 5.11; or (D) may not be disposed of under Rule 144(k) under the Securities Act without restriction.

(d) The term "Trading Event" means the first date on which the Company's Common Stock trades on a national securities exchange or the Over-the-Counter Bulletin Board.

5.2 Piggyback Registration.

(a) The Company agrees that if, at any time, and from time to time, after the earlier to occur of (i) an initial public offering of the Company's equity securities pursuant to a registration statement declared effective by the Securities and Exchange Commission ("IPO") and (ii) a Trading Event, the Board of Directors of the Company (the

"Board") shall authorize the filing of a registration statement under the Securities Act (other than the filing of a registration statement pursuant to the IPO or a registration statement on Form S-8, Form S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities) in connection with the proposed offer of any of its securities by it or any of its stockholders, the Company shall: (A) promptly notify each Holder that such registration statement will be filed and that the Registrable Securities then held by such Holder will be included in such registration statement at such Holder's request; (B) subject to Section 5.7, cause such registration statement to cover all of such Registrable Securities issued to such Holder for which such Holder requests inclusion; (C) use reasonable best efforts to cause such registration statement to become effective as soon as practicable; and (D) take all other reasonable action necessary under any Federal or state law or regulation of any governmental authority to permit all such Registrable Securities that have been issued to such Holder to be sold or otherwise disposed of, and will maintain such compliance with each such Federal and state law and regulation of any governmental authority for the period necessary for such Holder to promptly effect the proposed sale or other disposition.

(b) Notwithstanding any other provision of this Section 5.2, the Company may at any time, abandon or delay any registration commenced by the Company. In the event of such an abandonment by the Company, the Company shall not be required to continue registration of shares requested by the Holder for inclusion and the Holder shall retain the right to request inclusion of shares as set forth above.

5.3 Demand Registration.

(a) Registration on Request.

(i) The Company agrees that, at any time, and from time to time, but at least 180 days after the earlier to occur of (i) an IPO and (ii) a Trading Event, Holders of a majority of the Registrable Securities may make a written request that the Company effect the registration under the Securities Act of outstanding Registrable Securities; provided that such requested registration would cover at least 51% of the Registrable Securities owned by all the Holders at such time; and provided, further, that the Holders shall be entitled to no more than one such demand registration.

(ii) The Company further agrees that if, at any time, and from time to time, after the Company has qualified for the use of Form S-3 or any successor form, one or more of the Holders desire to effect the registration under the Securities Act on Form S-3 or any successor form ("Short-Form Registration") of outstanding Registrable Securities, such Holder(s) may make a written request that the Company effect a Short-Form Registration; provided that the aggregate price to the public of the shares as to which such registration is requested (based on the then current market price and before deducting underwriting discounts and commissions) would equal or exceed $5,000,000. It is understood and agreed that the Holders may make good faith requests for Short-Form Registrations on an unlimited number of occasions; provided further, that the Company shall not be required to effect more than one Short Form Registration in any 12-month period.

(iii) Each request made by one or more of the Holders pursuant to subsection (i) or (ii) above (the "Initiating Holders") will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Following receipt of any such request, the Company shall promptly notify all Holders other than the Initiating Holders of receipt of such request and the Company shall use its best efforts to file, within 60 days of such request, a registration statement under the Securities Act with respect to the Registrable Securities that the Company has been so requested to register in the request by the Initiating Holders (and in all notices received by the Company from such other Holders within 30 days after the giving of such notice by the Company), to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities to be registered. If such method of disposition shall be an underwritten public offering, the Holders of a majority of the shares of Registrable Securities to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Holders will be permitted to withdraw Registrable Securities from a registration at any time prior to the effective date of such registration; provided the remaining number of shares of Registrable Securities subject to a requested registration is not less than the minimum amount required pursuant to this Section 5.3.

(b) Limitations on Demand Registration. Notwithstanding Section 5.3(a), the Company shall not be obligated to file a registration statement relating to a registration request pursuant to this Section 5.3 at any time during the 180-day period immediately following the effective date of any registration statement filed by the Company (other than on Form S-8 or S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities); and if the Board determines, in its good faith judgment, that the Company (i) should not file any registration statement otherwise required to be filed pursuant to Section 5.3 or (ii) should withdraw any such previously filed registration statement because the Board determines, in its good faith judgment, that the Company is in the possession of material nonpublic information required to be disclosed in such registration statement or an amendment or supplement thereto, the disclosure of which in such registration statement would be materially disadvantageous to the Company (a "Disadvantageous Condition"), the Company shall be entitled to postpone for the shortest reasonable period of time (but not exceeding 90 days from the date of the determination), the filing of such registration statement or, if such registration statement has already been filed, may suspend or withdraw such registration statement and shall promptly give the Holders written notice of such determination and an approximation of the anticipated delay. Upon the receipt of any such notice, such Holders shall forthwith discontinue use of the prospectus contained in such registration statement and, if so directed by the Company, shall deliver to the Company all copies of the prospectus then covering such Registrable Securities current at the time of receipt of such notice (or, if no registration statement has yet been filed, all drafts of the prospectus covering such Registrable Securities). If any Disadvantageous Condition shall cease to exist, the Company shall promptly notify the Holders to such effect. If any registration statement shall have been withdrawn, the Company shall, at such time as it is possible or, if earlier, at the end of the 90-day period following such withdrawal, file a new registration statement covering the Registrable Securities that were covered by such withdrawn registration statement. The Company's right to delay a request for registration or to withdraw a registration statement pursuant to this Section 5.3 may not be exercised more than once in any one-year period.

5.4 Registration Procedures. Whenever required under this Article V to include Registrable Securities in a Company registration statement, the Company shall, as expeditiously as reasonably possible:

(a) Use reasonable best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective in accordance with Section 5.12 hereof. The Company will also use its reasonable best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; provided, however, that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) or (ii) in the preceding sentence to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any Selling Holder, subject to Section 5.5, (i) as expeditiously as reasonably possible, use reasonable best efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 5.4 which may be applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use reasonable best efforts to register and qualify the securities covered by such registration statement under the state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, however, that the Company shall

not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each selling Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use reasonable best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the Over-the-Counter Bulletin Board.

(h) Provide a transfer agent and registrar for all Registrable Securities registered hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

5.5 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Article V with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

5.6 Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Sections 5.2 or 5.3 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors to any of the Holders.

5.7 Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 5.2 to include any of the Holders' Registrable Securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence.

5.8 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Article V.

5.9 Indemnification. In the event that any Registrable Securities are included in a registration statement under this Article V:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or

are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of this Agreement by a Holder.

(b) To the extent permitted by law, each Selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of this Agreement by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 5.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 5.9(b) exceed the greater of the cash value of the (i) gross proceeds from the offering received by such Holder or (ii) such Holder's investment pursuant to this Agreement as set forth on the signature page attached hereto.

(c) Promptly after receipt by an indemnified party under this Section 5.9 of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 5.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly

notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 5.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5.9.

(d) If the indemnification provided for in this Section 5.9 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 therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 5.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Article V, and otherwise.

5.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

5.11 Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Article V may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such transferee agrees in writing to comply with the terms and provisions of this Agreement; (b) such transfer is otherwise in compliance with this Agreement; (c) such transfer is otherwise effected in accordance with applicable securities laws; and (d) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 5.11, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer of such registration rights shall by void.

5.12 Termination of Registration Rights. The right of any Holder to request or demand inclusion in any registration pursuant to Section 5.2 and Section 5.3 shall terminate if all Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction.

VI. MISCELLANEOUS

6.1 Any notice or other communication given hereunder shall be deemed sufficient if in writing and sent by registered or certified mail, return receipt requested, or delivered by hand against written receipt therefor, addressed as follows:

if to the Company, to it at:

Coronado Biosciences, Inc.
4365 Executive Drive, Suite 1500
San Diego, CA 92121
Facsimile:
Attn: President

With a copy to:

Cooley Godward Kronish LLP
4401 Eastgate Mall
San Diego, CA 92121
Facsimile: (858) 550-6420
Attn: Jason Kent, Esq.

Paramount BioCapital, Inc.
787 Seventh Avenue, 48th Floor
New York, NY 10019
Facsimile: (212) 554-4355
Attn: Basil Christakos

if to the Subscriber, to the Subscriber's address indicated on the signature page of this Agreement.

Notices shall be deemed to have been given or delivered on the date of mailing, except notices of change of address, which shall be deemed to have been given or delivered when received.

6.2 Except as otherwise expressly provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely) with the written consent of the Company and (a) subscribers holding Notes evidencing at least sixty six and two-thirds percent (66 2/3%) of the then outstanding Principal Loan Amount of the Notes issued pursuant to this Agreement and substantially similar agreements, so long as the Notes are outstanding; and (b) holders of sixty six and two-thirds percent (66 2/3%) of the Registrable Securities, if the Notes are no longer outstanding. Any amendment or waiver effected in accordance with this Section 6.2 shall be binding upon the Subscriber and the Company (even if the Subscriber does not consent to such amendment or waiver), and upon the effectuation of each such amendment or waiver, the Company shall promptly give written notice thereof to the Subscriber if the Subscriber has not previously consented thereto in writing.

6.3 Subject to the provisions of Section 5.11, this Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, legal representatives, successors and assigns. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

6.4 Upon the execution and delivery of this Agreement by the Subscriber, this Agreement shall become a binding obligation of the Subscriber with respect to the purchase of Notes as herein provided, subject, however, to the right hereby reserved by the Company to enter into the same agreements with other subscribers and to add and/or delete other persons as subscribers.

6.5 NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT ALL THE TERMS AND PROVISIONS HEREOF SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAW. IN THE EVENT THAT A JUDICIAL PROCEEDING IS NECESSARY, THE SOLE FORUM FOR RESOLVING DISPUTES ARISING OUT OF OR RELATING TO THIS AGREEMENT IS THE STATE AND FEDERAL COURTS SITTING IN THE BOROUGH OF MANHATTAN, COUNTY OF NEW YORK. THE PARTIES HEREBY IRREVOCABLY CONSENT TO THE JURISDICTION OF SUCH COURTS AND AGREE TO SAID VENUE.

6.6 The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect. If any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part, such provision shall be interpreted so as to remain enforceable to the maximum extent permissible consistent with applicable law and the remaining conditions and provisions or portions thereof shall nevertheless remain in full force and effect and enforceable to the extent they are valid, legal and enforceable, and no provisions shall be deemed dependent upon any other covenant or provision unless so expressed herein.

6.7 It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach by that same party.

6.8 The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

6.9 This Agreement may be executed in two or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

6.10 Nothing in this Agreement shall create or be deemed to create any rights in any person or entity not a party to this Agreement, except (a) for the holders of Registrable Securities; (b) for the Placement Agent pursuant to Sections 1.6(a), 1.23 and 3.1 hereof, (c) for the indemnified parties (including without limitation the Placement Agent and its sub agents, if any) pursuant to Section 5.9 hereof; and (d) that the Placement Agent may rely upon the representations and acknowledgements of the Subscriber in Articles I and VII hereof and the representations and warranties of the Company in Article II hereof.

Remainder of Page Intentionally Left Blank.

VII. CONFIDENTIAL INVESTOR QUESTIONNAIRE

7.1 **ALL INVESTORS - The undersigned represents and warrants as indicated below by the undersigned's mark**:

A. Individual investors: (Please mark one or more of the following statements)

1._____ I certify that I am an accredited investor because I have had individual income (exclusive of any income earned by my spouse) of more than $200,000 in each of the most recent two years and I reasonably expect to have an individual income in excess of $200,000 for the current year.

2._____ I certify that I am an accredited investor because I have had joint income with my spouse in excess of $300,000 in each of the most recent two years and reasonably expect to have joint income with my spouse in excess of $300,000 for the current year.

3._____ I certify that I am an accredited investor because I have an individual net worth, or my spouse and I have a joint net worth, in excess of $1,000,000.

4._____ I am a director or executive officer of Coronado Biosciences, Inc.

B. Partnerships, corporations, trusts or other entities: (Please mark one of the following seven statements). The undersigned hereby certifies that it is an accredited investor because it is:

1._____ an employee benefit plan whose total assets exceed $5,000,000;

2._____ an employee benefit plan whose investments decisions are made by a plan fiduciary which is either a bank, savings and loan association or an insurance company (as defined in Section 3(a) of the Securities Act) or an investment adviser registered as such under the Investment Advisers Act of 1940;

3._____ a self-directed employee benefit plan, including an Individual Retirement Account, with investment decisions made solely by persons that are accredited investors;

4._____ an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

5._____ a corporation, partnership, limited liability company, limited liability partnership, other entity or similar business trust, not formed for the specific purpose of acquiring the Notes, with total assets excess of $5,000,000;

6._____ a trust, not formed for the specific purpose of acquiring the Notes, with total assets exceed $5,000,000, whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in the Notes; or

7._____ an entity (including a revocable grantor trust but other than a conventional trust) in which each of the equity owners qualifies as an accredited investor.

7.2 **EUROPEAN ECONOMIC AREA ("EEA") INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

A. Please mark one of the following statements:

either

1._____The undersigned hereby certifies that it is a Qualified Investor for the purposes of Directive 2003/71/EC because it is a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by a jurisdiction in the EEA to be considered as a qualified investor for the purposes of such directive;

or

2._____The undersigned hereby certifies that it is not a Qualified Investor for the purposes of Directive 2003/71/EC.

B. Please mark one of the following statements.

1._____The undersigned hereby certifies that it is acting on its own account and not for the account of or otherwise on behalf of any person or persons; or

2._____The undersigned is in the United Kingdom and is a Qualified Investor for the purposes of Directive 2003/71/EC and is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000.

C. Please mark the following statement:

1._____The undersigned hereby certifies that it has not received any recommendation from the Placement Agent nor any person acting on their behalf in relation to the purchase of the Securities.

D. Please mark one of the following statements:

1._____The undersigned hereby certifies that it is not in the United Kingdom.

2._____The undersigned hereby certifies that it is a person falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO").

3._____The undersigned hereby certifies that it is a person falling within Article 49(2)(a) to the (d) of the FPO.

7.3 **ALL INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark:**

FINRA AFFILIATION.

Are you affiliated or associated with an FINRA member firm:

Yes _____ No _____

If Yes, please describe:

_____
_____
_____

* If subscriber is a Registered Representative with an FINRA member firm, have the following acknowledgment signed by the appropriate party:

The undersigned FINRA member firm acknowledges receipt of the notice required by NASD Rule 3050.

_____
Name of FINRA Member Firm

By: _____
Authorized Officer

Date: _____

7.4 **ALL INVESTORS - Indicate manner in which title is to be held** (circle one)

(a) Individual Ownership
(b) Community Property
(c) Joint Tenant with Right of Survivorship (both parties must sign)
(d) Partnership
(e) Tenants in Common
(f) Corporation
(g) Limited Liability Company
(h) Trust
(i) Other

7.5 **ALL INVESTORS - Please answer each question**.

SUITABILITY

(a) For an individual Subscriber, please describe your current employment, including the company by which you are employed and its principal business:

_____

(b) For an individual Subscriber, please describe any college or graduate degrees held by you:

_____

(c) For all Subscribers, please list types of prior investments:

_____

(d) For all Subscribers, please state whether you have you participated in other private placements before:

YES _____ NO _____

(e) If your answer to question 7.5(d) above was "YES", please indicate frequency of such prior participation in private placements of:

	Public Companies	Private Companies	Public or Private Biopharmaceutical Companies
Frequently			
Occasionally			
Never			

(f) For individual Subscribers, do you expect your current level of income to significantly decrease in the foreseeable future:

YES _____ NO _____

(g) For trust, corporate, partnership and other institutional Subscribers, do you expect your total assets to significantly decrease in the foreseeable future:

YES _____ NO _____

(h) For all Subscribers, do you have any other investments or contingent liabilities which you reasonably anticipate could cause you to need sudden cash requirements in excess of cash readily available to you:

YES _____ NO _____

(i) For all Subscribers, are you familiar with the risk aspects and the non-liquidity of investments such as the securities for which you seek to subscribe?

YES _____ NO _____

(j) For all Subscribers, do you understand that there is no guarantee of financial return on this investment and that you run the risk of losing your entire investment?

YES _____ NO _____

7.6 The undersigned is informed of the significance to the Company of the foregoing representations and answers contained in the Confidential Investor Questionnaire contained in this Article VII and such answers have been provided under the assumption that the Company will rely on them.

Signature: _____

_____
(If purchased jointly)

Print Name: _____

_____
(If purchased jointly)

Date: _____

AGGREGATE PRINCIPAL AMOUNT OF NOTES = $____ (TOTAL INVESTMENT)

Signature	Signature (if purchasing jointly)
Name Typed or Printed	Name Typed or Printed
Entity Name	Entity Name
Address	Address
City, State and Zip Code	City, State and Zip Code
Telephone-Business	Telephone—Business
Telephone-Residence	Telephone—Residence
Facsimile-Business	Facsimile—Business
Facsimile-Residence	Facsimile—Residence
Tax ID # or Social Security #	Tax ID # or Social Security #

Name in which securities should be issued: _____

Dated: _____, 2008

This Note Purchase Agreement is agreed to and accepted as of March 28, 2008.

CORONADO BIOSCIENCES, INC.

By: _____
Name: RJ Tesi, M.D.
Title: President and Chief Executive Officer

Annex A

CERTIFICATE OF SIGNATORY

(To be completed if Securities are
being subscribed for by an entity)

I,_____, am the _____ of _____ (the "Entity").

I certify that I am empowered and duly authorized by the Entity to execute and carry out the terms of the Note Purchase Agreement and to purchase and hold the Securities, and certify further that the Note Purchase Agreement has been duly and validly executed on behalf of the Entity and constitutes a legal and binding obligation of the Entity.

IN WITNESS WHEREOF, I have set my hand this __ day of ____, 2008.

_____

(Signature)

EXHIBIT A

Form of Note

See Appendix B

EXHIBIT B

Substantive Paragraphs of Legal Opinion

1. The Company has been duly incorporated and is a validly existing corporation in good standing under the laws of the State of Delaware.

2. The Company has the requisite corporate power to own its property and assets and to conduct its business as it is currently being conducted as described in the Memorandum.

3. The Company has the requisite corporate power to execute, deliver and perform its obligations under the Transaction Documents.

4. Each of the Purchase Agreement and the Escrow Agreement has been duly and validly authorized, executed and delivered by the Company and such agreement constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms, except as rights to indemnity and contribution under Section 5.9 of the Purchase Agreement may be limited by applicable laws and except as enforcement may be limited by applicable bankruptcy, insolvency, fraudulent transfer or conveyance, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights, and subject to and limited by general equity principles and to limitations on availability of equitable relief, including specific performance.

5. The Notes have been duly authorized and executed by the Company and when delivered to and paid for by the Subscribers each such Note will be a valid and binding obligation of the Company in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, fraudulent transfer or conveyance, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights, and subject to and limited by general equity principles and to limitations on availability of equitable relief, including specific performance.

6. To our knowledge, the issuance of the Notes will not violate any preemptive or similar rights under the DGCL or the Company's Certificate of Incorporation which have not been waived.

7. The execution and delivery of the Transaction Documents by the Company and the issuance of the Notes pursuant thereto (i) do not violate any provision of the Company's Certificate of Incorporation or Bylaws, (ii) do not constitute a default under or a material breach of any Material Agreement, and (iii) do not violate (a) the DGCL or any other governmental statute, law, rule or regulation which in our experience is typically applicable to transactions of the nature contemplated by the Transaction Documents or (b) any order, writ, judgment, injunction, decree, determination or award which has been entered against the Company and of which we are aware, in each case to the extent the violation of which would materially and adversely affect the Company.

8. To our knowledge, there is no action, proceeding or investigation pending or overtly threatened against the Company before any court or administrative agency that questions the validity of the Transaction Documents or that could reasonably be expected to result, either individually or in the aggregate, in a material adverse effect on the Company.

9. The offer and sale of the Notes, the Conversion Shares and the Placement Agent Warrant are exempt from the registration requirements of the Securities Act of 1933, as amended, subject to the timely filing of a Form D pursuant to Securities and Exchange Commission Regulation D.

Exhibit 10.2

NOTE PURCHASE AGREEMENT

This **NOTE PURCHASE AGREEMENT** (this "Agreement") is made as of the last date set forth on the signature page hereof between **CORONADO BIOSCIENCES, INC.**, a Delaware corporation having its principal place of business at 1700 Seventh Avenue, Suite 2100, Seattle, Washington 98101 (the "Company"), and _____ (the "Subscriber").

W I T N E S S E T H:

WHEREAS, the Company has retained Paramount BioCapital, Inc. (the "Placement Agent") to act as its exclusive placement agent, on a "best efforts, all or none" basis, in a private offering (the "Offering") of convertible promissory notes in substantially the form attached hereto as Exhibit A (the "Notes") included in the Minimum Offering (as defined below) and on a "best efforts" basis in the Offering of such Notes which will provide the Company with aggregate proceeds in excess of the Minimum Offering, and in connection therewith has authorized Paramount to engage one or more other firms to assist in finding qualified subscribers for the Notes (such other firms, if any, together with Paramount, the "Placement Agent");

WHEREAS, the terms of the Offering are summarized in that certain Confidential Offering Memorandum dated July 7, 2009 (together with all amendments, supplements, exhibits and appendices thereto, the "Memorandum");

WHEREAS, the Company desires to offer and sell a minimum of $500,000 aggregate principal amount of Notes (which is referred to as the "Minimum Offering") and a maximum of $2,000,000 aggregate principal amount of Notes, with an option in favor of the Company and the Placement Agent, by mutual agreement, to sell up to an additional $1,000,000 in aggregate principal amount of Notes (the "Over-Allotment," and together with the Maximum Offering, the "Maximum Amount") (such amount of Notes actually issued, the "Principal Loan Amount").

WHEREAS, the Company desires to enter into this Agreement to issue and sell the Notes and the Subscriber desires to purchase the principal amount of Notes set forth on the signature page hereto on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual representations and covenants hereinafter set forth, the parties hereto do hereby agree as follows:

I. SUBSCRIPTION FOR NOTES AND REPRESENTATIONS BY SUBSCRIBER

1.1 Subject to the terms and conditions hereinafter set forth, the Subscriber hereby irrevocably subscribes for and agrees to purchase from the Company that portion of the aggregate principal amount of the Principal Loan Amount to be issued by the Company set forth on the signature page hereto (the "Subscriber Loan Amount"), payable in immediately available U.S. dollars in the amount of such Subscription Loan Amount, delivered by wire transfer to:

Bank:	U.S. Bank National Association
ABA Number:	091000022
Further Credit to Account Name:	U.S. Bank N.A.
Account #:	180121167365
Final Beneficiary Recipient/Subacct:	Paramount BioCapital & Coronado
SEI/Subacct Number:	133150000
Reference:	[Investor Name]
Attention:	Stefan Ronchetti
	651-495-2148 (phone)
	651-495-8087 (fax)

Upon acceptance by the Placement Agent and the Company of subscriptions for an amount of Notes equal to at least the Minimum Offering, the Placement Agent and the Company shall have the right at any time thereafter, prior to the Offering Termination Date (as defined in Section 3.2), to effect an initial closing with respect to the Offering (the "Initial Closing"). Thereafter, the Placement Agent and the Company shall continue to accept additional subscriptions for, and continue to have closings (together with the Initial Closing, each a "Closing" and the date thereof the "Closing Date") with respect to subscriptions for Notes from new or existing investors from time to time and at any time up to the Offering Termination Date.

The Subscriber understands that the Company's and the Placement Agent's respective officers, directors, employees and/or affiliates may purchase Notes in this Offering, which purchases may be used to satisfy the Minimum Offering. In addition, certain employees of the Placement Agent and its affiliates are current stockholders of the Company.

1.2 The Subscriber recognizes that the purchase of the Notes involves a high degree of risk including, but not limited to, the following: (a) the Company remains a development stage business with limited operating history and requires substantial funds in addition to the proceeds of the Offering; (b) an investment in the Company is highly speculative, and only investors who can afford the loss of their entire investment should consider investing in the Company and the Notes; (c) the Subscriber may not be able to liquidate its investment; (d) transferability of the Notes and the securities issuable upon conversion of the Notes (the Notes and such other securities sometimes hereinafter collectively referred to as the "Securities") is extremely limited; (e) in the event of a disposition of the Securities, the Subscriber could sustain the loss of its entire investment; and (f) the Company has not paid any dividends on its capital stock since its inception and does not anticipate paying any dividends in the foreseeable future. Without limiting the generality of the representations set forth in Section 1.5 below, the Subscriber represents that the Subscriber has carefully reviewed the section of the Memorandum captioned "Risk Factors."

1.3 The Subscriber represents that the Subscriber is an "accredited investor" as such term is defined in Rule 501 of Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as indicated by the Subscriber's responses to the questions contained in Article VII hereof. If the Subscriber is a natural person, the Subscriber has reached the age of majority in the state or other jurisdiction in which the Subscriber resides, has adequate means of providing for the Subscriber's current financial needs and contingencies, is able to bear the substantial economic risks of an investment in the Securities for an indefinite period of time, has no need for liquidity in such investment and, at the present time, could afford a complete loss of such investment.

1.4 The Subscriber hereby acknowledges and represents that (a) the Subscriber has sufficient knowledge and experience in business and financial matters, prior investment experience, including investment in securities that are non-listed, unregistered and/or not traded on a national securities exchange, or the Subscriber has employed the services of a "purchaser representative" (as defined in Rule 501 of Regulation D), attorney and/or accountant to read all of the documents furnished or made available by the Company both to the Subscriber and to all other prospective investors in the Securities in order to evaluate the merits and risks of such an investment on the Subscriber's behalf; (b) the Subscriber recognizes the highly speculative nature of this investment; and (c) the Subscriber is able to bear the economic risk that the Subscriber hereby assumes.

1.5 The Subscriber hereby acknowledges receipt and careful review of this Agreement, the Note and the Memorandum (which includes the Risk Factors), including all exhibits thereto (collectively referred to as the "Offering Materials") and hereby represents that the Subscriber has been furnished by the Company during the course of the Offering with all information regarding the Company, the terms and conditions of the Offering and any additional information that the Subscriber, its purchaser representative, attorney and/or accountant has requested or desired to know, and has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of the Company concerning the Company and the terms and conditions of the Offering.

1.6 (a) In making the decision to invest in the Securities, the Subscriber has relied solely upon the information provided by the Company in the Offering Materials. To the extent necessary, the Subscriber has retained, at its own expense, and relied upon appropriate professional advice regarding the investment, tax and legal merits and consequences of this Agreement and the purchase of the Securities hereunder. The Subscriber disclaims reliance on any statements made or information provided by any person or entity in the course of Subscriber's consideration of an investment in the Securities other than the Offering Materials. The Subscriber acknowledges and agrees that (i) the Company has prepared the Offering Materials and that no other person, including without limitation, the Placement Agent, has supplied any information for inclusion in the Offering Materials other than information furnished in writing to the Company by the Placement Agent specifically for inclusion in those parts of the Offering Materials relating specifically to the Placement Agent, (ii) the Placement Agent has no responsibility for the accuracy or completeness of the Offering Materials and (iii) the Subscriber has not relied upon the independent investigation or verification, if any, that may have been undertaken by the Placement Agent.

(b) The Subscriber represents that (i) the Subscriber was contacted regarding the sale of the Securities by the Company or the Placement Agent (or an authorized agent or representative of the Company or the Placement Agent) with whom the Subscriber had a prior substantial pre-existing relationship and (ii) no Securities were offered or sold to it by means of any form of general solicitation or general advertising, and in connection therewith, the Subscriber did not (A) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (B) attend any seminar meeting or industry investor conference whose attendees were invited by any general solicitation or general advertising.

1.7 The Subscriber hereby represents that the Subscriber, either by reason of the Subscriber's business or financial experience or the business or financial experience of the Subscriber's professional advisors (who are unaffiliated with and not compensated by the Company or any affiliate or selling agent of the Company, including the Placement Agent, directly or indirectly), has the capacity to protect the Subscriber's own interests in connection with the transaction contemplated hereby.

1.8 The Subscriber hereby acknowledges that the Offering has not been reviewed by the United States Securities and Exchange Commission (the "SEC") nor any state regulatory authority since the Offering is intended to be exempt from the registration requirements of Section 5 of the Securities Act pursuant to Regulation D promulgated thereunder. The Subscriber understands that the Securities have not been registered under the Securities Act or under any state securities or "blue sky" laws and agrees not to sell, pledge, assign or otherwise transfer or dispose of the Securities unless they are registered under the Securities Act and under any applicable state securities or "blue sky" laws or unless an exemption from such registration is available.

1.9 The Subscriber understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of a claimed exemption under the provisions of the Securities Act and such state securities laws that depends, in part, upon the Subscriber's investment intention. The Subscriber hereby represents that the Subscriber is purchasing the Securities for the Subscriber's own account for investment and not with a view toward the resale or distribution to others. The Subscriber, if an entity, further represents that it was not formed for the purpose of purchasing the Securities.

1.10 The Subscriber understands that there is no public market for the Securities and that no market may develop for any of such Securities. The Subscriber understands that even if a public market develops for such Securities, Rule 144 ("Rule 144") promulgated under the Securities Act requires for non-affiliates, among other conditions, a minimum holding period prior to the resale (in limited amounts) of securities acquired in a non-public offering without having to satisfy the registration requirements under the Securities Act. The Subscriber understands and hereby acknowledges that the Company is under no obligation to register any of the Securities under the Securities Act or any state securities or "blue sky" laws other than as set forth in Article V.

1.11 The Subscriber consents to the placement of a legend on any certificate or other document evidencing the Securities that such Securities have not been registered under the Securities Act or any state securities or "blue sky" laws and setting forth or referring to the restrictions on transferability and sale thereof contained in this Agreement. The Subscriber is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of such Securities. The legend to be placed on each certificate shall be in form substantially similar to the following:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES OR "BLUE SKY LAWS", AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED ABSENT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED."

1.12 The Subscriber hereby represents that the address of the Subscriber furnished by Subscriber on the signature page hereof is the Subscriber's principal residence if Subscriber is an individual or its principal business address if it is a corporation or other entity.

1.13 The Subscriber represents that the Subscriber has full power and authority (corporate, statutory and otherwise) to execute and deliver this Agreement and to purchase the Securities. This Agreement constitutes the legal, valid and binding obligation of the Subscriber, enforceable against the Subscriber in accordance with its terms.

1.14 If the Subscriber is a corporation, partnership, limited liability company, trust, employee benefit plan, individual retirement account, Keogh Plan, or other tax-exempt entity, (a) it is authorized and qualified to invest in the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so and (b) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

1.15 The Subscriber acknowledges that if he or she is a Registered Representative of a Financial Industry Regulatory Authority ("FINRA") member firm, he or she must give such firm the notice required by NASD Rule 3050, receipt of which must be acknowledged by such firm in Section 7.3 below.

1.16 Subject to the provision below, the Subscriber hereby agrees that in the case of an initial offering of the Company's securities to the public pursuant to an effective registration statement under the Securities Act (the "IPO"), the Subscriber will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, the Registrable Securities (as defined in Section 5.1) purchased or acquired by the Subscriber for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Subscriber will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

1.17 (a) The Subscriber agrees not to issue any public statement with respect to the Subscriber's investment or proposed investment in the Company or the terms of any agreement or covenant between them and the Company without the Company's prior written consent, except such disclosures as may be required under applicable law or under any applicable order, rule or regulation.

(b) The Company agrees not to disclose the names, addresses or any other information about the Subscribers, except as required by law, including without limitation the use of the name (but not the address) of the Subscriber in any registration statement filed pursuant to Article V in which the Subscriber's shares are included and the disclosure of such information in any subsequent offering memorandum if the Subscriber beneficially owns five percent (5%) or more of the Company's voting capital stock.

1.18 The Subscriber represents and warrants that it has not engaged, consented to or authorized any broker, finder or intermediary to act on its behalf, directly or indirectly, as a broker, finder or intermediary in connection with the transactions contemplated by this Agreement. The Subscriber hereby agrees to indemnify and hold harmless the Company from and against all fees, commissions or other payments owing to any such person or firm acting on behalf of such Subscriber hereunder.

1.19 The Subscriber agrees to hold the Company and its directors, officers, employees, affiliates, controlling persons and agents (including the Placement Agent and its officers, directors, employees, counsel, controlling persons and agents) and their respective heirs, representatives, successors and assigns harmless and to indemnify them against all liabilities, costs and expenses incurred by them as a result of (a) any sale or distribution of the Securities by the Subscriber in violation of the Securities Act or any applicable state or foreign securities or "blue sky" laws; or (b) any false representation or warranty or any breach or failure by the Subscriber to comply with any covenant made by the Subscriber in this Agreement (including the Confidential Investor Questionnaire contained in Article VII herein) or any other document furnished by the Subscriber to any of the foregoing in connection with this transaction; provided, however, that in no event shall any indemnity under this Subsection 1.19 exceed the aggregate principal amount of the Notes subscribed for by the Subscriber pursuant to this Agreement, except in the case of willful fraud by the Subscriber.

1.20 The Subscriber understands, acknowledges and agrees with the Company that this subscription may be rejected, in whole or in part, by the Company, in the sole and absolute discretion of the Company, at any time before the Closing Date notwithstanding prior receipt by the Subscriber of notice of acceptance of the Subscriber's subscription.

1.21 The Subscriber acknowledges that the information contained in the Offering Materials or otherwise made available to the Subscriber is confidential and non-public and agrees that all such information shall be kept in confidence by the Subscriber and neither used by the Subscriber for the Subscriber's personal benefit (other than in connection with this subscription) nor disclosed to any third party for any reason, notwithstanding that a Subscriber's subscription may not be accepted by the Company; provided, however, that (a) the Subscriber may disclose such information to its attorneys and advisors who may have a need for such information in connection with providing advice to the Subscriber with respect to its investment in the Company so long as such affiliates and advisors have an obligation of confidentiality, and (b) this obligation shall not apply to any such information that (i) is part of the public knowledge or literature and readily accessible at the date hereof, (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of this provision) or (iii) is received from third parties without an obligation of confidentiality (except third parties who disclose such information in violation of any confidentiality agreements or obligations, including, without limitation, any subscription or other similar agreement entered into with the Company).

1.22 The Subscriber represents that no authorization, approval, consent or license of any person is required to be obtained for the purchase of the Securities by the Subscriber, other than as have been obtained and are in full force and effect.

1.23 The Subscriber represents that the representations, warranties and agreements of the Subscriber contained herein and in any other writing delivered in connection with the transactions contemplated hereby shall be true and correct in all respects on the date hereof and as of the Closing Date on which the Subscriber purchases Notes as if made on and as of such date and shall survive the execution and delivery of this Agreement and the purchase of the Notes. The Subscriber agrees that the Company and the Placement Agent shall be entitled to rely on the representations, warranties and agreements of the Subscriber contained herein.

1.24 The Subscriber understands, acknowledges and agrees with the Company that, except as otherwise set forth herein, the subscription hereunder is irrevocable by the Subscriber, that, except as required by law, the Subscriber is not entitled to cancel, terminate or revoke this Agreement or any agreements of the Subscriber hereunder and that this Agreement and such other agreements shall survive the death or disability of the Subscriber 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 Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his/her heirs, executors, administrators, successors, legal representatives and permitted assigns.

1.25 The Subscriber understands, acknowledges and agrees with the Company that the Offering is intended to be exempt from registration under the Securities Act by virtue of the provisions of Regulation D thereunder, which is in part dependent upon the truth, completeness and accuracy of the representations and covenants made by the Subscriber in this Agreement.

1.26 (a) Any Subscriber subject to jurisdiction in the European Economic Area ("EEA") either (i) is a qualified investor for the purposes of Directive 2003/71/EC of the European Parliament and the Council (a "Qualified Investor"); that is, a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by any such jurisdiction to be considered as a qualified investor for the purposes of such directive, or (ii) it has notified the Placement Agent in writing that it is not a Qualified Investor;

(b) Any EEA Subscriber entering into this Agreement and acquiring Securities is either (i) acting on its own account and not for the account of or otherwise on behalf any other person or persons or (ii) if a Qualified Investor in the United Kingdom, it is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000;

(c) Any Subscriber, if in the United Kingdom, is (a) a person falling within Article 19(5) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO") or (b) a person falling within Article 49(2)(a) to (d) of the FPO;

(d) Each Subscriber acknowledges that neither the Placement Agent nor any person acting on its behalf is making any recommendations to it or advising it regarding the suitability or merits of purchasing Securities or any transaction it may enter into in connection with the offering of the Securities, and acknowledges that its participation in the offering of Securities is on the basis that it is not and will not be a client or customer of the Placement Agent and that neither the Placement Agent nor any person acting on its behalf has any duties or responsibilities to it for providing the protections afforded to their clients or customers or for providing advice in relation to the offering of the Securities.

II. REPRESENTATIONS BY AND COVENANTS OF THE COMPANY

The Company hereby represents and warrants to the Subscriber, except as set forth in the Memorandum, including the Risk Factors contained therein, that:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as currently conducted. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the property owned or leased by it 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 in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, conditions (financial or otherwise), properties, assets or results of operations of the Company (a "Material Adverse Effect"). The Company does not have any subsidiaries.

2.2 Capitalization and Voting Rights. The authorized, issued and outstanding capital stock of the Company is as set forth in the Memorandum and all issued and outstanding shares of capital stock of the Company are validly issued, fully paid and nonassessable. Except as set forth in the Memorandum, there are no outstanding options, warrants, agreements, convertible securities, preemptive rights or other rights to subscribe for or to purchase any shares of capital stock of the Company. Except as set forth in the Offering Materials and as otherwise required by law, there are no restrictions upon the voting or transfer of any of the shares of capital stock of the Company pursuant to the Company's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), By-Laws or other governing documents or any agreement or other instruments to which the Company is a party or by which the Company is bound.

2.3 Authorization; Enforceability. The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company, its directors and stockholders necessary for the (i) authorization, execution, delivery and performance of this Agreement by the Company; and (ii) authorization, sale, issuance and delivery of the Notes contemplated hereby and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered

by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Notes, when issued and fully paid for in accordance with the terms of this Agreement, will be validly issued. Upon the issuance and delivery of the equity securities issuable upon conversion of the Notes in accordance with the terms thereof, such equity securities will be validly issued, fully paid and nonassessable. The issuance and sale of the Securities contemplated hereby will not give rise to any preemptive rights or rights of first refusal on behalf of any person which have not been waived in connection with this Offering.

2.4 No Conflict; Governmental Consents.

(a) Except as would not reasonably be expected to have a Material Adverse Effect or have been waived, the execution and delivery by the Company of this Agreement and the consummation of the transactions contemplated hereby will not result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Certificate of Incorporation or By-Laws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, approval, authorization or other order of any governmental authority or other third party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issue and sale of the Securities, except as have been obtained or such filings as may be required to be made with the SEC and with any state or foreign blue sky or securities regulatory authority relating to an exemption from registration thereunder.

2.5 Licenses. Except as would not reasonably be expected to have a Material Adverse Effect, the Company has sufficient licenses, permits and other governmental authorizations currently required for the conduct of its business or ownership of properties and is in all material respects complying therewith.

2.6 Litigation. The Company knows of no pending or threatened legal or governmental proceedings against the Company which (i) adversely questions the validity of this Agreement or any agreements related to the transactions contemplated hereby or the right of the Company to enter into any of such agreements, or to consummate the transactions contemplated hereby or thereby or (ii) could, if there were an unfavorable decision, have a Material Adverse Effect. There is no action, suit, proceeding or investigation by the Company currently pending in any court or before any arbitrator or that the Company intends to initiate.

2.7 Investment Company. The Company is not an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder.

2.8 Placement Agent. The Company has engaged, consented to and authorized the Placement Agent to act as agent of the Company in connection with the transactions contemplated by this Agreement. The Company will pay the Placement Agent a commission in the form of both cash and warrants to purchase Common Stock as described in the Memorandum (the "Placement Warrants") and will reimburse the Placement Agent's reasonable out-of-pocket expenses incurred in connection with the

Offering up to $25,000, and the Company agrees to indemnify and hold harmless the Subscribers from and against all fees, commissions or other payments owing by the Company to the Placement Agent or any other person or firm acting on behalf of the Company hereunder.

2.9 Financial Statements. The financial statements of the Company included in Appendix D to the Memorandum (the "Financial Statements") have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP") consistently applied throughout the periods covered thereby, except as may be otherwise specified in such Financial Statements or the notes thereto, and except that unaudited financial statements do not contain all footnotes and do not contain the cash flow statement required by GAAP, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal year-end audit adjustments. Since the date of the most recent balance sheet included as part of the Financial Statements, there has not been to the Company's knowledge: (i) any change in the assets, liabilities, financial condition or operations of the Company from that reflected in the Financial Statements, other than changes in the ordinary course of business, none of which individually or in the aggregate would reasonably be expected to have a Material Adverse Effect; or (ii) any other event or condition of any character that, either individually or cumulatively, would reasonably be expected to have a Material Adverse Effect, except for the expenses incurred in connection with the transactions contemplated by this Agreement.

2.10 Title to Properties and Assets; Liens, Etc. The Company has good and marketable title to its properties and assets, including the properties and assets reflected in the most recent balance sheet included in the Financial Statements, and good title to its leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than (a) those resulting from taxes which have not yet become delinquent; (b) liens and encumbrances which do not materially detract from the value of the property subject thereto or materially impair the operations of the Company; (c) those that have otherwise arisen in the ordinary course of business; and (d) those that would not reasonably be expected to have a Material Adverse Effect. The Company is in compliance with all material terms of each lease to which it is a party or is otherwise bound.

2.11 Patents and Trademarks. Except as would not reasonably be expected to have a Material Adverse Effect or as disclosed in the Memorandum, to the Company's knowledge, (i) the Company owns or possesses adequate licenses or other rights to use all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, manufacturing processes, formulae, trade secrets, licenses, customer lists and know how (collectively, "Intellectual Property") , (ii) the Company has not received any communications alleging that the Company has violated or, by conducting its business as conducted, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or other proprietary rights or processes of any other person or entity, nor is the Company aware of any basis therefor and (iii) no claim is pending or, to the Company's knowledge after due inquiry, threatened to the effect that any Intellectual Property owned or licensed by the Company, or which the Company otherwise has the right to use, is invalid or unenforceable by the Company.

2.12 Obligations to Related Parties. Except as disclosed in the Memorandum or as would not reasonably be expected to have a Material Adverse Effect, there are no obligations of the Company to officers, directors, stockholders, or employees of the Company other than (a) for payment of salary or other compensation for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company, (c) standard indemnification provisions in the certificate of incorporation and by-laws, and (d) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under any stock option plan approved by the Board of Directors of the Company). Except as may be disclosed in the Financial Statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

2.13 Employee Relations; Employee Benefit Plans. The Company is not a party to any collective bargaining agreement or a union contract. Except as disclosed in the Memorandum, the Company does not maintain any compensation or benefit plan, agreement, arrangement or commitment (including, but not limited to, "employee benefit plans", as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) for any present or former employees, officers or directors of the Company or with respect to which the Company has liability or makes or has an obligation to make contributions, other than any such plans, agreements, arrangements or commitments made generally available to the Company's employees.

2.14 Environmental Laws. To its knowledge, the Company (i) is in compliance with any and all Environmental Laws (as hereinafter defined), (ii) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.15 Tax Status. To the best of the Company's knowledge, the Company (i) has made or filed all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the Company knows of no basis for any such claim.

2.16 Absence of Certain Changes. Since the date of the Memorandum, there has been no change in the business, operations, conditions (financial or otherwise), prospects, assets or results of operations of the Company or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect.

2.17 Ranking of Notes; Issuance of New Debt. On the Closing Date, the Notes will rank pari passu with all of the Company's existing indebtedness. Following the Closing Date, as long as any Note remains outstanding, the Company will not, without the prior written consent of the holders of Notes evidencing at least sixty-six and two-thirds percent (66 2/3%) of the Principal Loan Amount then outstanding, incur indebtedness for borrowed money in favor of any person or entity which indebtedness is secured or otherwise senior in priority to any Note issued to any subscriber pursuant to this Agreement or any substantially similar agreement. No consent of the holders of Notes will be required for issuances by the Company of unsecured indebtedness that ranks pari passu with, or junior to, the Notes.

2.18 Disclosure. The information set forth in the Offering Materials as of the date hereof contains no untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

III. TERMS OF SUBSCRIPTION

3.1 The minimum purchase that may be made by any prospective investor shall be $50,000 aggregate principal amount of Notes. Subscriptions for investment below the minimum investment may be accepted at the discretion of the Placement Agent and the Company. The Company and the Placement Agent reserve the right to reject any subscription made hereby, in whole or in part, in their sole discretion. The Company's agreement with each Subscriber is a separate agreement and the sale of the Notes to each Subscriber is a separate sale.

3.2 Pending the sale of the Notes, all funds paid hereunder shall be deposited by the Company in escrow with US Bank Trust NA, having a branch at 100 Wall Street, Suite 1600, New York, New York 10005. This Offering will terminate on the earlier of (i) the Company's acceptance of subscriptions for the Maximum Amount and (ii) July 31, 2009, unless terminated at an earlier time or extended by the mutual agreement of the Placement Agent and the Company without notice to prospective investors for up to an additional sixty (60) days (the "Offering Termination Date"). The Company reserves the right to withdraw or cancel this Offering and to accept or reject any subscription in whole or in part, in its sole discretion. The Subscriber hereby authorizes and directs the Company and the Placement Agent to direct the Escrow Agent to return any funds for unaccepted subscriptions to the same account from which the funds were drawn, without interest.

3.3 At any time after the Company has received subscriptions and related funds for the Minimum Offering amount, but prior to the Offering Termination Date, the Company may conduct a Closing and may conduct subsequent Closings on an interim basis until the Maximum Amount has been obtained or at any time until the Offering Termination Date. Each Closing shall occur at the offices of the Placement Agent at 787 Seventh Avenue, 48th Floor, New York, NY 10019.

3.4 The Note purchased by the Subscriber pursuant to this Agreement will be prepared for delivery to the Subscriber promptly following the Closing at which such purchase takes place. The Subscriber hereby authorizes and directs the Company to deliver the Note purchased by the Subscriber pursuant to this Agreement to the residential or business address indicated on the signature page hereto.

IV. CONDITIONS TO OBLIGATIONS OF THE PARTIES

4.1 In addition to the Company's right to reject, in whole or in part, any subscription at any time before the Closing Date, the Company's obligation to issue the Notes at each Closing to the applicable Subscriber is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of the Company to the extent permitted by law:

(a) The representations and warranties made by each Subscriber in Article I hereof shall be true and correct in all material respects.

(b) The Minimum Amount shall have been subscribed for.

(c) All covenants, agreements and conditions contained in this Agreement to be performed by such Subscriber on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(d) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(e) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Notes (except as otherwise provided in this Agreement).

4.2 The Subscriber's obligation to purchase the Notes at the Closing at which such purchase is to be consummated is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of each Subscriber to the extent permitted by law:

(a) The representations and warranties made by the Company in Article II hereof shall be true and correct in all material respects.

(b) All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(d) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(e) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Notes (except as otherwise provided in this Agreement).

(f) The Placement Agent shall have received an opinion of counsel to the Company addressed to the Subscribers (which the Placement Agent may be permitted to rely on as if it were addressed to it) containing certain opinions to be substantially as set forth in Exhibit B, which opinion will be subject to standard qualifications and assumptions.

(g) The Placement Agent shall have received an Officer's Certificate addressed to the Subscribers, signed by the authorized officer of the Company and dated as of the Closing. The certificate shall state, among other things, that the representations and warranties contained herein and in the Offering Materials are true and accurate in all material respects at such Closing Date with the same effect as though expressly made at such Closing Date and the Placement Agent shall be entitled to rely on such representations of the Company in the Offering Materials as if they were made directly to the Placement Agent.

V. REGISTRATION RIGHTS

5.1 Definitions. As used in this Agreement, the following terms shall have the following meanings.

(a) The term "Holder" shall mean any holder of Registrable Securities.

(b) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(c) The term "Registrable Securities" shall mean (i) the shares of equity securities issuable upon conversion of the Notes sold in the Offering (or any successor security); and (ii) any shares of equity securities issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 5.11; or (D) may not be disposed of under Rule 144(k) under the Securities Act without restriction.

(d) The term "Trading Event" means the first date on which the Company's Common Stock trades on a national securities exchange or the Over-the-Counter Bulletin Board.

5.2 Piggyback Registration.

(a) The Company agrees that if, at any time, and from time to time, after the earlier to occur of (i) an initial public offering of the Company's equity securities pursuant to a registration statement declared effective by the Securities and Exchange Commission ("IPO") and (ii) a Trading Event, the Board of Directors of the Company (the "Board") shall authorize the filing of a registration statement under the Securities Act (other than the filing of a registration statement pursuant to the IPO or a registration statement on Form S-8, Form S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities) in connection with the proposed offer of any of its securities by it or any of its stockholders, the Company shall: (A) promptly notify each Holder that such registration statement will be filed and that the Registrable Securities then held by such Holder will be included in such registration statement at such Holder's request; (B) subject to Section 5.7, cause such registration statement to cover all of such Registrable Securities issued to such Holder for which such Holder requests inclusion; (C) use reasonable best efforts to cause such registration statement to become effective as soon as practicable; and (D) take all other reasonable action necessary under any Federal or state law or regulation of any governmental authority to permit all such Registrable Securities that have been issued to such Holder to be sold or otherwise disposed of, and will maintain such compliance with each such Federal and state law and regulation of any governmental authority for the period necessary for such Holder to promptly effect the proposed sale or other disposition.

(b) Notwithstanding any other provision of this Section 5.2, the Company may at any time, abandon or delay any registration commenced by the Company. In the event of such an abandonment by the Company, the Company shall not be required to continue registration of shares requested by the Holder for inclusion and the Holder shall retain the right to request inclusion of shares as set forth above.

5.3 Demand Registration.

(a) Registration on Request.

(i) The Company agrees that, at any time, and from time to time, but at least 180 days after the earlier to occur of (i) an IPO and (ii) a Trading Event, Holders of a majority of the Registrable Securities may make a written request that the Company effect the registration under the Securities Act of outstanding Registrable Securities; provided that such requested registration would cover at least 51% of the Registrable Securities owned by all the Holders at such time; and provided, further, that the Holders shall be entitled to no more than one such demand registration.

(ii) The Company further agrees that if, at any time, and from time to time, after the Company has qualified for the use of Form S-3 or any successor form, one or more of the Holders desire to effect the registration under the Securities Act on Form S-3 or any successor form ("Short-Form Registration") of outstanding Registrable Securities, such Holder(s) may make a written request that the Company effect a Short-Form Registration; provided that the aggregate price to the public of the shares as to which such registration is requested (based on the then current market price and before deducting underwriting discounts and commissions) would equal or exceed $5,000,000. It is understood and agreed that the Holders may make good faith requests for Short-Form Registrations on an unlimited number of occasions; provided further, that the Company shall not be required to effect more than one Short Form Registration in any 12-month period.

(iii) Each request made by one or more of the Holders pursuant to subsection (i) or (ii) above (the "Initiating Holders") will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Following receipt of any such request, the Company shall promptly notify all Holders other than the Initiating Holders of receipt of such request and the Company shall use its reasonable best efforts to file, within 60 days of such request, a registration statement under the Securities Act with respect to the Registrable Securities that the Company has been so requested to register in the request by the Initiating Holders (and in all notices received by the Company from such other Holders within 30 days after the giving of such notice by the Company), to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities to be registered. If such method of disposition shall be an underwritten public offering, the Holders of a majority of the shares of Registrable Securities to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Holders will be permitted to withdraw Registrable Securities from a registration at any time prior to the effective date of such registration; provided the remaining number of shares of Registrable Securities subject to a requested registration is not less than the minimum amount required pursuant to this Section 5.3.

(b) Limitations on Demand Registration. Notwithstanding Section 5.3(a), the Company shall not be obligated to file a registration statement relating to a registration request pursuant to this Section 5.3 at any time during the 180-day period immediately following the effective date of any registration statement filed by the Company (other than on Form S-8 or S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities); and if the Board determines, in its good faith judgment, that the Company (i) should not file any registration statement otherwise required to be filed pursuant to Section 5.3 or (ii) should withdraw any such previously filed registration statement because the Board determines, in its good faith judgment, that the Company is in the possession of material nonpublic information required to be disclosed in such registration statement or an amendment or supplement thereto, the disclosure of which in such registration statement would be materially disadvantageous to the Company (a "Disadvantageous Condition"), the Company shall be entitled to postpone for the shortest reasonable period of time (but not exceeding 90

days from the date of the determination), the filing of such registration statement or, if such registration statement has already been filed, may suspend or withdraw such registration statement and shall promptly give the Holders written notice of such determination and an approximation of the anticipated delay. Upon the receipt of any such notice, such Holders shall forthwith discontinue use of the prospectus contained in such registration statement and, if so directed by the Company, shall deliver to the Company all copies of the prospectus then covering such Registrable Securities current at the time of receipt of such notice (or, if no registration statement has yet been filed, all drafts of the prospectus covering such Registrable Securities). If any Disadvantageous Condition shall cease to exist, the Company shall promptly notify the Holders to such effect. If any registration statement shall have been withdrawn, the Company shall, at such time as it is possible or, if earlier, at the end of the 90-day period following such withdrawal, file a new registration statement covering the Registrable Securities that were covered by such withdrawn registration statement. The Company's right to delay a request for registration or to withdraw a registration statement pursuant to this Section 5.3 may not be exercised more than once in any one-year period.

5.4 Registration Procedures. Whenever required under this Article V to include Registrable Securities in a Company registration statement, the Company shall, as expeditiously as reasonably possible:

(a) Use reasonable best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective in accordance with Section 5.12 hereof. The Company will also use its reasonable best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; provided, however, that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) or (ii) in the preceding sentence to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any Selling Holder, subject to Section 5.5, (i) as expeditiously as reasonably possible, use reasonable best efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 5.4 which may be applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use reasonable best efforts to register and qualify the securities covered by such registration statement under the state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each selling Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use reasonable best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the Over-the-Counter Bulletin Board.

(h) Provide a transfer agent and registrar for all Registrable Securities registered hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

5.5 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Article V with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

5.6 Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Sections 5.2 or 5.3 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors to any of the Holders.

5.7 Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 5.2 to include any of the Holders' Registrable Securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence.

5.8 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Article V.

5.9 Indemnification. In the event that any Registrable Securities are included in a registration statement under this Article V:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section

5.9 (a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of this Agreement by a Holder.

(b) To the extent permitted by law, each Selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of this Agreement by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 5.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 5.9(b) exceed the greater of the cash value of the (i) gross proceeds from the offering received by such Holder or (ii) such Holder's investment pursuant to this Agreement as set forth on the signature page attached hereto.

(c) Promptly after receipt by an indemnified party under this Section 5.9 of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 5.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 5.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5.9.

(d) If the indemnification provided for in this Section 5.9 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 therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in

connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 5.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Article V, and otherwise.

5.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

5.11 Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Article V may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such transferee agrees in writing to comply with the terms and provisions of this Agreement; (b) such transfer is otherwise in compliance with this Agreement; (c) such transfer is otherwise effected in accordance with applicable securities laws; and (d) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 5.11, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer of such registration rights shall by void.

5.12 Termination of Registration Rights. The right of any Holder to request or demand inclusion in any registration pursuant to Section 5.2 and Section 5.3 shall terminate if all Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction.

VI. MISCELLANEOUS

6.1 Any notice or other communication given hereunder shall be deemed sufficient if in writing and sent by registered or certified mail, return receipt requested, or delivered by hand against written receipt therefor, addressed as follows:

if to the Company, to it at:

Coronado Biosciences, Inc.
1700 Seventh Avenue
Suite 2100
Seattle, Washington 98101
Facsimile: (206) 357-8401
Attn: President

With a copy to:

Cooley Godward Kronish LLP
4401 Eastgate Mall
San Diego, CA 92121
Facsimile: (858) 550-6420
Attn: Jason Kent, Esq.

Paramount BioCapital, Inc.
787 Seventh Avenue, 48th Floor
New York, NY 10019
Facsimile: (212) 554-4355
Attn: Compliance Department

if to the Subscriber, to the Subscriber's address indicated on the signature page of this Agreement.

Notices shall be deemed to have been given or delivered on the date of mailing, except notices of change of address, which shall be deemed to have been given or delivered when received.

6.2 Except as otherwise expressly provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely) with the written consent of the Company and (a) subscribers holding Notes evidencing at least sixty six and two-thirds percent (66 2/3%) of the then outstanding Principal Loan Amount of the Notes issued pursuant to this Agreement and substantially similar agreements, so long as the Notes are outstanding; and (b) holders of sixty six and two-thirds percent (66 2/3%) of the Registrable Securities, if the Notes are no longer outstanding. Any amendment or waiver effected in accordance with this Section 6.2 shall be binding upon the Subscriber and the Company (even if the Subscriber does not consent to such amendment or waiver), and upon the effectuation of each such amendment or waiver, the Company shall promptly give written notice thereof to the Subscriber if the Subscriber has not previously consented thereto in writing.

6.3 Subject to the provisions of Section 5.11, this Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, legal representatives, successors and assigns. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

6.4 Upon the execution and delivery of this Agreement by the Subscriber, this Agreement shall become a binding obligation of the Subscriber with respect to the purchase of Notes as herein provided, subject, however, to the right hereby reserved by the Company to enter into the same agreements with other subscribers and to add and/or delete other persons as subscribers.

6.5 NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT ALL THE TERMS AND PROVISIONS HEREOF SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAW. IN THE EVENT THAT A JUDICIAL PROCEEDING IS NECESSARY, THE SOLE FORUM FOR RESOLVING DISPUTES ARISING OUT OF OR RELATING TO THIS AGREEMENT IS THE STATE AND FEDERAL COURTS SITTING IN THE BOROUGH OF MANHATTAN, COUNTY OF NEW YORK. THE PARTIES HEREBY IRREVOCABLY CONSENT TO THE JURISDICTION OF SUCH COURTS AND AGREE TO SAID VENUE.

6.6 The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect. If any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part, such provision shall be interpreted so as to remain enforceable to the maximum extent permissible consistent with applicable law and the remaining conditions and provisions or portions thereof shall nevertheless remain in full force and effect and enforceable to the extent they are valid, legal and enforceable, and no provisions shall be deemed dependent upon any other covenant or provision unless so expressed herein.

6.7 It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach by that same party.

6.8 The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

6.9 This Agreement may be executed in two or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

6.10 Nothing in this Agreement shall create or be deemed to create any rights in any person or entity not a party to this Agreement, except (a) for the holders of Registrable Securities; (b) for the Placement Agent pursuant to Sections 1.6(a), 1.23 and 3.1 hereof, (c) for the indemnified parties (including without limitation the Placement Agent and its sub agents, if any) pursuant to Section 5.9 hereof; and (d) that the Placement Agent may rely upon the representations and acknowledgements of the Subscriber in Articles I and VII hereof and the representations and warranties of the Company in Article II hereof.

Remainder of Page Intentionally Left Blank.

VII. CONFIDENTIAL INVESTOR QUESTIONNAIRE

7.1 **ALL INVESTORS - The undersigned represents and warrants as indicated below by the undersigned's mark**:

A. Individual investors: (Please mark one or more of the following statements)

1._____ I certify that I am an accredited investor because I have had individual income (exclusive of any income earned by my spouse) of more than $200,000 in each of the most recent two years and I reasonably expect to have an individual income in excess of $200,000 for the current year.

2._____ I certify that I am an accredited investor because I have had joint income with my spouse in excess of $300,000 in each of the most recent two years and reasonably expect to have joint income with my spouse in excess of $300,000 for the current year.

3._____ I certify that I am an accredited investor because I have an individual net worth, or my spouse and I have a joint net worth, in excess of $1,000,000.

4._____ I am a director or executive officer of Coronado Biosciences, Inc.

B. Partnerships, corporations, trusts or other entities: (Please mark one of the following seven statements). The undersigned hereby certifies that it is an accredited investor because it is:

1._____ an employee benefit plan whose total assets exceed $5,000,000;

2._____ an employee benefit plan whose investments decisions are made by a plan fiduciary which is either a bank, savings and loan association or an insurance company (as defined in Section 3(a) of the Securities Act) or an investment adviser registered as such under the Investment Advisers Act of 1940;

3._____ a self-directed employee benefit plan, including an Individual Retirement Account, with investment decisions made solely by persons that are accredited investors;

4._____ an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

5._____ a corporation, partnership, limited liability company, limited liability partnership, other entity or similar business trust, not formed for the specific purpose of acquiring the Notes, with total assets excess of $5,000,000;

6._____ a trust, not formed for the specific purpose of acquiring the Notes, with total assets exceed $5,000,000, whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in the Notes; or

7._____ an entity (including a revocable grantor trust but other than a conventional trust) in which each of the equity owners qualifies as an accredited investor.

7.2 **EUROPEAN ECONOMIC AREA ("EEA") INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

A. Please mark one of the following statements:

either

1._____The undersigned hereby certifies that it is a Qualified Investor for the purposes of Directive 2003/71/EC because it is a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by a jurisdiction in the EEA to be considered as a qualified investor for the purposes of such directive;

or

2._____The undersigned hereby certifies that it is not a Qualified Investor for the purposes of Directive 2003/71/EC.

B. Please mark one of the following statements.

1._____The undersigned hereby certifies that it is acting on its own account and not for the account of or otherwise on behalf of any person or persons; or

2._____The undersigned is in the United Kingdom and is a Qualified Investor for the purposes of Directive 2003/71/EC and is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000.

C. Please mark the following statement:

1._____The undersigned hereby certifies that it has not received any recommendation from the Placement Agent nor any person acting on their behalf in relation to the purchase of the Securities.

D. Please mark one of the following statements:

1._____The undersigned hereby certifies that it is not in the United Kingdom.

2._____The undersigned hereby certifies that it is a person falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO").

3._____The undersigned hereby certifies that it is a person falling within Article 49(2)(a) to the (d) of the FPO.

7.3 **ALL INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

FINRA AFFILIATION.

Are you affiliated or associated with an FINRA member firm:

Yes _____ No _____

If Yes, please describe:

* If subscriber is a Registered Representative with an FINRA member firm, have the following acknowledgment signed by the appropriate party:

The undersigned FINRA member firm acknowledges receipt of the notice required by NASD Rule 3050.

_____
Name of FINRA Member Firm

By: _____
Authorized Officer

Date: _____

7.4 **ALL INVESTORS - Indicate manner in which title is to be held** (circle one)

(a) Individual Ownership
(b) Community Property
(c) Joint Tenant with Right of Survivorship (both parties must sign)
(d) Partnership
(e) Tenants in Common
(f) Corporation
(g) Limited Liability Company
(h) Trust
(i) Other

7.5 **ALL INVESTORS - Please answer each question**.

SUITABILITY

(a) For an individual Subscriber, please describe your current employment, including the company by which you are employed and its principal business:

(b) For an individual Subscriber, please describe any college or graduate degrees held by you:

(c) For all Subscribers, please list types of prior investments:

(d) For all Subscribers, please state whether you have you participated in other private placements before:

YES _____ NO _____

(e) If your answer to question 7.5(d) above was "YES", please indicate frequency of such prior participation in private placements of:

	Public Companies	Private Companies	Public or Private Biopharmaceutical Companies
Frequently			
Occasionally			
Never			

(f) For individual Subscribers, do you expect your current level of income to significantly decrease in the foreseeable future:

YES _____ NO _____

(g) For trust, corporate, partnership and other institutional Subscribers, do you expect your total assets to significantly decrease in the foreseeable future:

YES _____ NO _____

(h) For all Subscribers, do you have any other investments or contingent liabilities which you reasonably anticipate could cause you to need sudden cash requirements in excess of cash readily available to you:

YES _____ NO _____

(i) For all Subscribers, are you familiar with the risk aspects and the non-liquidity of investments such as the securities for which you seek to subscribe?

YES _____ NO _____

(j) For all Subscribers, do you understand that there is no guarantee of financial return on this investment and that you run the risk of losing your entire investment?

YES _____ NO _____

7.6 The undersigned is informed of the significance to the Company of the foregoing representations and answers contained in the Confidential Investor Questionnaire contained in this Article VII and such answers have been provided under the assumption that the Company will rely on them.

Signature: _____

_____

(If purchased jointly)

Print Name: _____

_____

(If purchased jointly)

Date: _____

AGGREGATE PRINCIPAL AMOUNT OF NOTES = $ ____ (TOTAL INVESTMENT)

Signature	Signature (if purchasing jointly)
Name Typed or Printed	Name Typed or Printed
Entity Name	Entity Name
Address	Address
City, State and Zip Code	City, State and Zip Code
Telephone-Business	Telephone—Business
Telephone-Residence	Telephone—Residence
Facsimile-Business	Facsimile—Business
Facsimile-Residence	Facsimile—Residence
Tax ID # or Social Security #	Tax ID # or Social Security #

Name in which securities should be issued: _____

Dated: _____, 2009

This Note Purchase Agreement is agreed to and accepted as of July 27, 2009.

CORONADO BIOSCIENCES, INC.

By: _____
Name: RJ Tesi, M.D.
Title: President and Chief Executive Officer

Annex A

CERTIFICATE OF SIGNATORY

(To be completed if Securities are
being subscribed for by an entity)

I,_____, am the _____ of _____ (the "Entity").

I certify that I am empowered and duly authorized by the Entity to execute and carry out the terms of the Note Purchase Agreement and to purchase and hold the Securities, and certify further that the Note Purchase Agreement has been duly and validly executed on behalf of the Entity and constitutes a legal and binding obligation of the Entity.

IN WITNESS WHEREOF, I have set my hand this __ day of ____, 2009.

_____

(Signature)

EXHIBIT A

Form of Note

THIS NOTE AND THE SECURITIES ISSUABLE UPON CONVERSION HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), APPLICABLE STATE SECURITIES LAWS, OR APPLICABLE LAWS OF ANY FOREIGN JURISDICTION. THIS NOTE AND SUCH SECURITIES HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO DISTRIBUTION OR RESALE, AND MAY NOT BE OFFERED, SOLD, PLEDGED, HYPOTHECATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS AND IN THE ABSENCE OF COMPLIANCE WITH APPLICABLE LAWS OF ANY FOREIGN JURISDICTION, OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR SUCH FOREIGN JURISDICTION LAWS HAVE BEEN SATISFIED.

CORONADO BIOSCIENCES, INC.
CONVERTIBLE PROMISSORY NOTE

Seattle, WA

$ ____ ____ __, 2009

1. Principal and Interest.

CORONADO BIOSCIENCES, INC. (the "Company"), a Delaware corporation, for value received, hereby promises to pay to the order of _____, or his, her or its assigns ("Holder"), in lawful money of the United States of America at the address for notices to Holder set forth in the applicable Purchase Agreement (as defined below) (or such other address as Holder shall provide to the Company in writing pursuant hereto), the principal amount of ____ dollars ($____), together with interest as set forth below.

The Company promises to pay interest on the unpaid principal amount from the date hereof until such principal amount is paid in full at the rate of eight percent (8%), or such lesser rate as shall be the maximum rate allowable under applicable law. Interest from the date hereof shall be computed on the basis of a 360-day year of twelve 30-day months, shall compound annually and shall be accrued and added to principal on an annual basis. Unless converted, all unpaid principal and unpaid accrued interest on this Note shall be due and payable on February 20, 2010 (the "Due Date"). Notwithstanding the foregoing, upon an Event of Default (as defined herein) during the term of this Note, the interest rate on this Note shall be increased to twelve percent (12%) per annum during the term of the default. For purposes of this Note, an "Event of Default" shall occur if (i) the Company shall default in the payment on this Note, when and as the same shall become due and payable and any such failure to make payment continues for five (5) business days; or (ii) the Company shall default in the due observance or performance of any material covenant, condition or agreement on the part of the Company contained in this Note or the Purchase Agreement (other than the failure to make payment when due), and any such default shall continue for a period of thirty (30) days after the date on which the Company receives written notice thereof from the Holder.

This Note is being issued pursuant to that certain Note Purchase Agreement between the Company and the Holder, dated as of the date hereof (the "Purchase Agreement"), and is subject to its terms. Capitalized terms used herein but not defined shall have the meanings given to such terms in the Purchase Agreement. This Note will rank pari passu with that certain series of convertible promissory notes issued by the Company in connection with an offering described in the Company's Confidential Offering Memorandum (together with all amendments, supplements, exhibits and appendices thereto, the "Memorandum") dated January 23, 2008 (such existing notes, as they may be or have been amended, restated, supplemented or otherwise modified from time to time, shall be collectively referred to as the "Bridge Notes"). This Note shall also rank pari passu with all other existing indebtedness of the Company and, pursuant to Section 2.17 of the Purchase Agreement, no new indebtedness which is secured or senior in right of payment to the Note may be issued by the Company without the consent of the holders of Notes representing at least sixty-six and two-thirds percent (66 2/3%) of the outstanding principal amount of all Notes. No consent of the holders of Notes will be required for issuances by the Company of unsecured indebtedness that ranks pari passu with, or junior to, the Notes.

2. Conversion.

2.1 (a) All unpaid principal and unpaid accrued interest on this Note shall be automatically converted into the Company's equity securities (the "Securities") issued in the Company's next equity financing (or series of related equity financings), including without limitation a firm commitment underwritten initial public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended (such offering, a "Qualified IPO"), involving the sale of Securities in which the Company receives at least $10,000,000 less the gross proceeds received by the Company pursuant to Notes issued in this Offering in aggregate gross cash proceeds (before brokers' fees or other transaction related expenses, and excluding any such proceeds resulting from any conversion of the Bridge Notes) (a "Qualified Financing"), at a conversion price equal to 75% of the lowest per unit price paid for such Securities in cash by investors in such Qualified Financing, and, with the exception of a Qualified IPO, upon such other terms, conditions and agreements as may be applicable in such Qualified Financing.

(b) In the event that the Company consummates a merger, share exchange, or other transaction (or series of related transactions), other than in connection with a Qualified Financing, in which (i) the Company merges into or otherwise becomes a wholly-owned subsidiary of a company that (A) is subject to the public company reporting requirements of the Securities Exchange Act of 1934, as amended, or the equivalent reporting requirements of the Ontario Securities Commission, or that is listed on the London Stock Exchange main market, the Euronext markets, or AIM, and (B) does not engage in any active operations and (ii) the aggregate consideration payable to the Company or its stockholders in such transaction(s) (the "Reverse Merger Consideration") is greater than or equal to $10,000,000 (a "Reverse Merger"), then immediately prior to such Reverse Merger, all unpaid principal and unpaid accrued interest on this Note shall be automatically converted into Common Stock at a conversion price per share equal to 75% of the quotient obtained by dividing (i) the Reverse Merger Consideration less the amount of unpaid principal and unpaid accrued interest on all Bridge Notes and the Existing Notes (as defined below) immediately prior to the Reverse Merger by (ii) the number of shares of Common Stock of the Company then outstanding, on a fully diluted basis (the "Outstanding Shares"). For this purpose, Outstanding Shares shall (i) exclude any shares of Common Stock issuable upon conversion of the Bridge Notes or the Existing Notes or upon exercise of the warrants issued to the Placement Agent in connection with the sale of the Bridge Notes but (ii) include all shares of Common Stock issuable upon the exercise of (A) options and other warrants

outstanding (to the extent that such options or warrants are exercised or assumed in connection with the Reverse Merger) and (B) options that the Company is required by agreement to issue to one or more employees, consultants, or licensors of the Company in connection with such Reverse Merger to maintain a specified percentage interest in the Company (but which have not yet been issued)). For purposes hereof, "Existing Notes" shall mean collectively, (i) that certain Future Advance Promissory Note, dated as of June 28, 2006, in favor of Paramount Biosciences, LLC, (ii) that certain Future Advance Promissory Note, dated as of July 30, 2007, in favor of The Lindsay A. Rosenwald 2000 Family Trusts Dated December 15, 2000 and (iii) that certain Future Advance Promissory Note, dated as of January 17, 2008, in favor of Capretti Grandi, LLC.

The shares of Common Stock issuable pursuant to clause 2.1(b) above shall be issued effective prior to the consummation of the Reverse Merger and conditioned upon the consummation of such Reverse Merger. As a holder of such shares of Common Stock, the Holder will receive the consideration payable in connection with such Reverse Merger on a share-for-share basis with all other stockholders of the Company and in like kind, at the same time and upon the same conditions as all other stockholders of the Company.

If any Reverse Merger Consideration is other than cash, its value will be deemed to be its fair market value as determined, in good faith, by the Board of Directors of the Company. The value of any securities shall be determined by the Board of Directors of the Company as set forth for a Sale of the Company in Section 2.1(c) below.

(c) This Note plus any unpaid accrued interest thereon shall automatically convert into shares of Common Stock of the Company effective immediately prior to the consummation of a Sale of the Company. For purposes hereof, "Sale of the Company" shall mean a transaction (or series of related transactions) with one or more non-affiliates of the Company, pursuant to which such party or parties acquire (i) capital stock of the Company or the surviving entity possessing the voting power to elect a majority of the board of directors of the Company or the surviving entity (whether by merger, consolidation, sale or transfer of the Company's capital stock or otherwise) (a "Stock Acquisition"); or (ii) all or substantially all of the Company's assets determined on a consolidated basis (an "Asset Sale"); provided, however, that notwithstanding anything to the contrary contained herein, to the extent any transaction (or series of related transactions) qualifies as a Qualified Financing or a Reverse Merger, such transaction(s) shall not be deemed to constitute a Sale of the Company. For purposes hereof, "Sale Proceeds" shall mean (i) in the event of a Stock Acquisition, the cash or securities paid by the acquirer to the Company or the selling stockholders to acquire such shares; and (ii) in the event of an Asset Sale, the cash or securities legally available for distribution to the Company's stockholders, after creation of adequate reserves for liabilities of the Company.

The price per share at which this Note will convert into Common Stock of the Company upon a Sale of the Company will be equal to the lesser of (i) 75% of the quotient obtained by dividing (x) the value of the Sale Proceeds received in such transaction less the unpaid principal and accrued but unpaid interest on the Bridge Notes and the Existing Notes immediately prior to the Sale of the Company by (y) the number of Outstanding Shares, and (ii) the quotient obtained by dividing (x) $50,000,000 less the unpaid principal and accrued but unpaid interest on the Bridge Notes and the Existing Notes by (y) the number of Outstanding Shares. For purposes of this Section 2.1(c), Outstanding Shares shall be determined as set forth in Section 2.1(b) of this Note, except that it shall not include any shares of Common Stock issuable upon the exercise of any options and warrants outstanding immediately prior to such Sale of the Company if such options or warrants have an exercise price in excess of the Note conversion price determined under this Section 2.1(c)).

(d) In the event the Company completes (in one or a series of related transactions) a merger, consolidation, sale or transfer of more than fifty percent (50%) of the Company's capital stock, in each case, which does not constitute a Sale of the Company, a Reverse Merger or a Qualified Financing (an "Other Transaction"), then the term "Securities" as used herein shall thereafter refer to the equity securities or securities convertible into or exchangeable for equity securities of the surviving, resulting, combined or acquiring entity in such merger, consolidation, sale or transfer.

2.2 Upon consummation of a Qualified Financing, Reverse Merger, Sale or Other Transaction in accordance with the terms of Section 2.1, the outstanding unpaid principal and unpaid accrued interest of this Note shall be converted without any further action by the Holder and whether or not this Note is surrendered to the Company or its transfer agent, and the indebtedness evidenced by this Note shall be satisfied in full and no interest shall continue to accrue on this Note and all rights of the Holder hereunder shall terminate. The Company shall not be obligated to issue certificates evidencing the shares of the securities issuable upon such conversion unless this Note is either delivered to the Company or its transfer agent, or the Holder notifies the Company or its transfer agent that such Note has been lost, stolen or destroyed and executes an agreement satisfactory to the Company to indemnify the Company from any loss incurred by it in connection with such Note. The Company shall, as soon as practicable after such delivery, or such agreement and indemnification, issue and deliver to such Holder of such Note, a certificate or certificates for the securities to which the Holder shall be entitled. Such conversion shall be deemed to have been made concurrently with the closing of the Qualified Financing, the Reverse Merger, the Sale of the Company or the Other Transaction, as applicable. The person or persons entitled to receive securities issuable upon such conversion shall be treated for all purposes as the record holder or holders of such securities on such date. The Company shall not issue fractional shares but shall round down the number of shares issued to the nearest whole number. Any conversion effected in accordance with this Section 2 shall be binding upon the Holder hereof.

3. Prepayment.

This Note may not be prepaid at any time, in whole or in part, prior to their maturity.

4. Attorneys' Fees. If the indebtedness represented by this Note or any part thereof is collected in bankruptcy, receivership or other judicial proceedings or if this Note is placed in the hands of attorneys for collection after default, the Company agrees to pay, in addition to the principal and interest payable hereunder, reasonable attorneys' fees and costs incurred by Holder.

5. Notices. Any notice, other communication or payment required or permitted hereunder shall be in writing and shall be deemed to have been given upon delivery to the address provided pursuant to the Purchase Agreement. In the case of notice to either party, copies should be sent to Cooley Godward Kronish LLP, 4401 Eastgate Mall, San Diego, CA 92121, Facsimile: (858) 550-6420, Attn: Jason Kent, Esq.

6. Notice of Proposed Transfers. Prior to any proposed transfer of this Note or the Securities, unless there is in effect a registration statement under the Securities Act covering the proposed transfer, the Holder shall give written notice to the Company of such Holder's intention to effect such transfer. Each such notice shall describe the manner and circumstances of the proposed transfer in sufficient detail, and shall, if the Company so requests, be accompanied (except in transactions in compliance with Rule 144) by an unqualified written opinion of legal counsel, who shall be reasonably satisfactory to the Company, addressed to the Company and reasonably satisfactory in form and substance to the Company's counsel, to the effect that the proposed transfer of this Note or Securities may be effected without registration under the Securities Act; provided, however, no such opinion of counsel shall be necessary for a transfer without consideration by a Holder to any affiliate of such Holder, or a transfer by a Holder which is a partnership to a partner of such partnership or a retired partner of such partnership who retires after the date hereof, or to the estate of any such partner or retired partner or the transfer by gift, will or intestate succession of any partner to his spouse or lineal descendants or ancestors, if the transferee agrees in writing to be subject to the terms hereof to the same extent as if such transferee were the original Holder hereunder. Each certificate evidencing Securities or this Note transferred as above provided shall bear an appropriate restrictive legend, except that this Note or certificate shall not bear such restrictive legend if, in the opinion of counsel for the Company, such legend is not required in order to establish compliance with any provisions of the Securities Act.

7. Acceleration. This Note shall become immediately due and payable if (i) the Company commences any proceeding in bankruptcy or for dissolution, liquidation, winding-up, composition or other relief under state or federal bankruptcy laws; or (ii) there is any material breach of any material covenant, warranty, representation or other term or condition of this Note or the Purchase Agreement at any time which is not cured within the time periods permitted therein, or if no cure period is provided therein, within thirty (30) days after the date on which the Company receives written notice thereof from the Holder.

8. No Dilution or Impairment. The Company will not, by amendment of its Certificate of Incorporation or Bylaws 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 of this Note, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Note against dilution or other impairment.

9. Waivers. The Company hereby waives presentment, demand for performance, notice of non-performance, protest, notice of protest and notice of dishonor. No delay on the part of the Holder in exercising any right hereunder shall operate as a waiver of such right or any other right. This Note is being delivered in and shall be construed in accordance with the laws of the State of New York, without regard to the conflicts of laws provisions thereof.

10. No Stockholder Rights. Nothing contained in this Note shall be construed as conferring upon the Holder or any other person the right to vote or to consent or to receive notice as a stockholder of the Company.

11. Amendment. Any term of this Note may be amended with the written consent of the Company and the holders of not less than sixty six and two-thirds percent (66 2/3%) of the then outstanding principal amount of the Notes, even without the consent of the Holder hereof. Any amendment effected in accordance with this Section 11 shall be binding upon each holder of any Note, each future holder of all such Notes, and the Company; provided, however, that no special consideration or inducement may be given to any such Holder in connection with such consent that is not given ratably to all such holders, and that such amendment must apply to all such holders ratably in accordance with the principal amount of their then outstanding Notes. The Company shall promptly give notice to all holders of outstanding Notes of any amendment effected in accordance with this Section 11.

* * * * *

ISSUED as of the date first above written.

CORONADO BIOSCIENCES, INC.

By: _____
Name: RJ Tesi, M.D.
Title: President and Chief Executive Officer

EXHIBIT B

Substantive Paragraphs of Legal Opinion

1. The Company has been duly incorporated and is a validly existing corporation in good standing under the laws of the State of Delaware.

2. The Company has the requisite corporate power to own its property and assets and to conduct its business as it is currently being conducted as described in the Memorandum.

3. The Company has the requisite corporate power to execute, deliver and perform its obligations under the Transaction Documents.

4. Each of the Purchase Agreement and the Escrow Agreement has been duly and validly authorized, executed and delivered by the Company and such agreement constitutes a valid and binding agreement of the Company enforceable against the Company in accordance with its terms, except as rights to indemnity and contribution under Section 5.9 of the Purchase Agreement may be limited by applicable laws and except as enforcement may be limited by applicable bankruptcy, insolvency, fraudulent transfer or conveyance, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights, and subject to and limited by general equity principles and to limitations on availability of equitable relief, including specific performance.

5. The Notes have been duly authorized and executed by the Company and when delivered to and paid for by the Subscribers each such Note will be a valid and binding obligation of the Company in accordance with its terms, except as enforcement may be limited by applicable bankruptcy, insolvency, fraudulent transfer or conveyance, reorganization, arrangement, moratorium or other similar laws affecting creditors' rights, and subject to and limited by general equity principles and to limitations on availability of equitable relief, including specific performance.

6. To our knowledge, the issuance of the Notes will not violate any preemptive or similar rights under the DGCL or the Company's Certificate of Incorporation which have not been waived.

7. The execution and delivery of the Transaction Documents by the Company and the issuance of the Notes pursuant thereto (i) do not violate any provision of the Company's Certificate of Incorporation or Bylaws, (ii) do not constitute a default under or a material breach of any Material Agreement, and (iii) do not violate (a) the DGCL or any other governmental statute, law, rule or regulation which in our experience is typically applicable to transactions of the nature contemplated by the Transaction Documents or (b) any order, writ, judgment, injunction, decree, determination or award which has been entered against the Company and of which we are aware, in each case to the extent the violation of which would materially and adversely affect the Company.

8. To our knowledge, there is no action, proceeding or investigation pending or overtly threatened against the Company before any court or administrative agency that questions the validity of the Transaction Documents or that could reasonably be expected to result, either individually or in the aggregate, in a material adverse effect on the Company.

9. The offer and sale of the Notes, the Conversion Shares and the Placement Agent Warrant are exempt from the registration requirements of the Securities Act of 1933, as amended, subject to the timely filing of a Form D pursuant to Securities and Exchange Commission Regulation D.

Exhibit 10.3

SUBSCRIPTION AGREEMENT

This **SUBSCRIPTION AGREEMENT** (this "Agreement") is made as of the last date set forth on the signature page hereof between Coronado Biosciences, Inc., a Delaware corporation having its principal place of business at 1700 Seventh Avenue; Suite 2100; Seattle, Washington 98101 (the "Company"), and the undersigned (the "Subscriber").

W I T N E S S E T H:

WHEREAS, the Company has retained Paramount BioCapital, Inc. (the "Lead Placement Agent") to act as its exclusive lead placement agent, on a "reasonable best efforts" basis, in a private offering (the "Offering") of the Company's series A preferred stock (the "Series A Stock"), and in connection therewith has authorized the Lead Placement Agent to engage one or more other firms to assist in finding qualified subscribers for the Series A Stock (such other firms, if any, together with the Lead Placement Agent, the "Placement Agents");

WHEREAS, the terms of the Offering are summarized in that certain Confidential Offering Memorandum dated January 20, 2010 (together with all amendments, supplements, exhibits and appendices thereto, the "Memorandum");

WHEREAS, the Company desires to offer and sell, at a price of $8.39 per share (the "Purchase Price Per Share"), a minimum of $1,000,000 of Series A Stock (the "Minimum Offering") and a maximum of $30,000,000 of Series A Stock (the "Maximum Amount") (it being understood that conversion of the Existing Notes other than New Indebtedness (each as defined in the Memorandum) into Series A Stock does not count toward the Minimum Offering or against the Maximum Amount); and

WHEREAS, the Company desires to enter into this Agreement to issue and sell the Series A Stock and the Subscriber desires to purchase the number of shares of Series A Stock set forth on the signature page hereto on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual representations and covenants hereinafter set forth, the parties hereto do hereby agree as follows:

I. SUBSCRIPTION FOR SERIES A STOCK AND REPRESENTATIONS BY SUBSCRIBER

1.1 Subject to the terms and conditions hereinafter set forth, the Subscriber hereby irrevocably subscribes for and agrees to purchase from the Company that number of shares of Series A Stock set forth on the signature page hereto (the "Subscription Amount") in the form of either (i) immediately available U.S. dollars in the amount of the Subscription Amount by wire transfer or (ii) to the extent provided for by the Existing Notes (as defined in the Memorandum), the conversion of the aggregate principal amount plus accrued and unpaid interest thereon. Wire transfers shall be delivered to:

Bank:	U.S. Bank National Association Corporation Trust St. Paul MN
ABA Number:	091000022
Further Credit to Account Name:	U.S. Bank N.A.
Account #:	180121167365
Final Beneficiary Recipient/Subacct:	Paramount BioCap & Coronado Biosciences
SEI/Subacct Number:	134617000
Reference:	[Investor Name]

Attention: Stefan Ronchetti
651-495-2148 (phone)
651-495-8087 (fax)

Upon acceptance by the Placement Agents and the Company of subscriptions equal to at least the Minimum Offering, the Lead Placement Agent and the Company shall have the right at any time thereafter, prior to the Offering Termination Date (as defined in Section 3.2), to effect an initial closing with respect to the Offering (the "Initial Closing"). Thereafter, the Placement Agents and the Company shall continue to accept additional subscriptions for, and continue to have closings (together with the Initial Closing, each a "Closing" and the date thereof the "Closing Date") with respect to subscriptions for Series A Stock from new or existing investors from time to time and at any time up to the Offering Termination Date.

The Subscriber understands that the Company's and the Placement Agents' respective officers, directors, employees and/or affiliates may purchase Series A Stock in this Offering, which purchases may be used to satisfy the Minimum Offering.

1.2 The Subscriber recognizes that the purchase of the Series A Stock involves a high degree of risk including, but not limited to, the following: (a) the Company remains a development stage business with limited operating history and requires substantial funds in addition to the proceeds of the Offering; (b) an investment in the Company is highly speculative, and only investors who can afford the loss of their entire investment should consider investing in the Company and the Series A Stock; (c) the Subscriber may not be able to liquidate its investment; (d) transferability of the Series A Stock and shares of the Company's common stock issuable upon conversion of the Series A Stock (sometimes referred to as the "Securities") is extremely limited; (e) in the event of a disposition of the Securities, the Subscriber could sustain the loss of its entire investment; and (f) the Company has not paid any dividends on its capital stock since its inception and, except for the potential payment of the "Special Dividend" set forth in the Company's Amended and Restated Certificate of Incorporation, provided to the Subscribers (the "Restated Certificate"), does not anticipate paying any dividends in the foreseeable future. Without limiting the generality of the representations set forth in Section 1.5 below, the Subscriber represents that the Subscriber has carefully reviewed the section of the Memorandum captioned "Risk Factors."

1.3 The Subscriber represents that the Subscriber is an "accredited investor" as such term is defined in Rule 501 of Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as indicated by the Subscriber's responses to the questions contained in Article VII hereof, and that the Subscriber is able to bear the economic risk of an investment in the Securities. If the Subscriber is a natural person, the Subscriber has reached the age of majority in the state or other jurisdiction in which the Subscriber resides, has adequate means of providing for the Subscriber's current financial needs and contingencies, is able to bear the substantial economic risks of an investment in the Securities for an indefinite period of time, has no need for liquidity in such investment and, at the present time, could afford a complete loss of such investment.

1.4 The Subscriber hereby acknowledges and represents that (a) the Subscriber has sufficient knowledge and experience in business and financial matters, prior investment experience, including investment in securities that are non-listed, unregistered and/or not traded on a national securities exchange, or the Subscriber has employed the services of a "purchaser representative" (as defined in Rule 501 of Regulation D), attorney and/or accountant to read all of the documents furnished or made available by the Company both to the Subscriber and to all other prospective investors in the Securities in order to evaluate the merits and risks of such an investment on the Subscriber's behalf; (b) the Subscriber recognizes the highly speculative nature of this investment; and (c) the Subscriber is able to bear the economic risk that the Subscriber hereby assumes.

1.5 The Subscriber hereby acknowledges receipt and careful review of this Agreement and the Memorandum (which includes the Risk Factors), including all exhibits thereto (collectively referred to as the "Offering Materials") and hereby represents that the Subscriber has been furnished by the Company during the course of the Offering with all information regarding the Company, the terms and conditions of the Offering and any additional information that the Subscriber, its purchaser representative, attorney and/or accountant has requested or desired to know, and has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of the Company concerning the Company and the terms and conditions of the Offering.

1.6 (a) In making the decision to invest in the Securities, the Subscriber has relied solely upon the information provided by the Company in the Offering Materials. To the extent necessary, the Subscriber has retained, at its own expense, and relied upon appropriate professional advice regarding the investment, tax and legal merits and consequences of this Agreement and the purchase of the Securities hereunder. The Subscriber disclaims reliance on any statements made or information provided by any person or entity in the course of Subscriber's consideration of an investment in the Securities other than the Offering Materials. The Subscriber acknowledges and agrees that (i) the Company has prepared the Offering Materials and that no other person, including without limitation, any Placement Agent, has supplied any information for inclusion in the Offering Materials other than information furnished in writing to the Company by the Placement Agents specifically for inclusion in those parts of the Offering Materials relating specifically to the Placement Agents, (ii) the Placement Agents have no responsibility for the accuracy or completeness of the Offering Materials and (iii) the Subscriber has not relied upon the independent investigation or verification, if any, that may have been undertaken by the Placement Agents.

(b) The Subscriber represents that (i) the Subscriber was contacted regarding the sale of the Securities by the Company or a Placement Agent (or an authorized agent or representative of the Company or a Placement Agent) with whom the Subscriber had a prior substantial pre-existing relationship and (ii) no Securities were offered or sold to it by means of any form of general solicitation or general advertising, and in connection therewith, the Subscriber did not (A) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (B) attend any seminar meeting or industry investor conference whose attendees were invited by any general solicitation or general advertising.

1.7 The Subscriber hereby represents that the Subscriber, either by reason of the Subscriber's business or financial experience or the business or financial experience of the Subscriber's professional advisors (who are unaffiliated with and not compensated by the Company or any affiliate or selling agent of the Company, including the Placement Agents, directly or indirectly), has the capacity to protect the Subscriber's own interests in connection with the transaction contemplated hereby.

1.8 The Subscriber hereby acknowledges that the Offering has not been reviewed by the United States Securities and Exchange Commission (the "SEC") nor any state regulatory authority since the Offering is intended to be exempt from the registration requirements of Section 5 of the Securities Act pursuant to Regulation D promulgated thereunder. The Subscriber understands that the Securities have not been registered under the Securities Act or under any state securities or "blue sky" laws and agrees not to sell, pledge, assign or otherwise transfer or dispose of the Securities unless they are registered under the Securities Act and under any applicable state securities or "blue sky" laws or unless an exemption from such registration is available.

1.9 The Subscriber understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of a claimed exemption under the provisions of the Securities Act and such state securities laws that depends, in part, upon the Subscriber's investment intention. The Subscriber hereby represents that the Subscriber is purchasing the Securities for the Subscriber's own account for investment and not with a view toward the resale or distribution to others. The Subscriber, if an entity, further represents that it was not formed for the purpose of purchasing the Securities.

1.10 The Subscriber understands that there is no public market for the Securities and that no market may develop for any of such Securities. The Subscriber understands that even if a public market develops for such Securities, Rule 144 ("Rule 144") promulgated under the Securities Act requires for non-affiliates, among other conditions, a one-year holding period prior to the resale (in limited amounts) of securities acquired in a non-public offering without having to satisfy the registration requirements under the Securities Act. The Subscriber understands and hereby acknowledges that the Company is under no obligation to register any of the Securities under the Securities Act or any state securities or "blue sky" laws other than as set forth in Article V.

1.11 The Subscriber consents to the placement of a legend on any certificate or other document evidencing the Securities that such Securities have not been registered under the Securities Act or any state securities or "blue sky" laws and setting forth or referring to the restrictions on transferability and sale thereof contained in this Agreement. The Subscriber is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of such Securities. The legend to be placed on each certificate shall be in form substantially similar to the following:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES OR "BLUE SKY" LAWS, AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED ABSENT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED."

1.12 The Subscriber hereby represents that the address of the Subscriber furnished by Subscriber on the signature page hereof is the Subscriber's principal residence if Subscriber is an individual or its principal business address if it is a corporation or other entity.

1.13 The Subscriber represents that the Subscriber has full power and authority (corporate, statutory and otherwise) to execute and deliver this Agreement and to purchase the Securities. This Agreement constitutes the legal, valid and binding obligation of the Subscriber, enforceable against the Subscriber in accordance with its terms.

1.14 If the Subscriber is a corporation, partnership, limited liability company, trust, employee benefit plan, individual retirement account, Keogh Plan, or other tax-exempt entity, (a) it is authorized and qualified to invest in the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so and (b) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

1.15 The Subscriber acknowledges that if he or she is a Registered Representative of a Financial Industry Regulatory Authority ("FINRA") member firm, he or she must give such firm the notice required by FINRA Rule 3050, receipt of which must be acknowledged by such firm in Section 7.3 below.

1.16 Subject to the provision below, the Subscriber hereby agrees that in the case of an initial offering of the Company's securities to the public pursuant to an effective registration statement under the Securities Act (the "IPO"), the Subscriber will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, the Registrable Securities (as defined in Section 5.1) purchased or acquired by the Subscriber for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Subscriber will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

1.17 (a) The Subscriber agrees not to issue any public statement with respect to the Subscriber's investment or proposed investment in the Company or the terms of any agreement or covenant between them and the Company without the Company's prior written consent, except such disclosures as may be required under applicable law or under any applicable order, rule or regulation.

(b) The Company agrees not to disclose the names, addresses or any other information about the Subscribers, except as required by law, including without limitation the use of the name (but not the address) of the Subscriber in any registration statement filed pursuant to Article V in which the Subscriber's shares are included and the disclosure of such information in any subsequent offering memorandum if the Subscriber beneficially owns five percent (5%) or more of the Company's voting capital stock.

1.18 The Subscriber represents and warrants that it has not engaged, consented to or authorized any broker, finder or intermediary to act on its behalf, directly or indirectly, as a broker, finder or intermediary in connection with the transactions contemplated by this Agreement. The Subscriber hereby agrees to indemnify and hold harmless the Company from and against all fees, commissions or other payments owing to any such person or firm acting on behalf of such Subscriber hereunder.

1.19 The Subscriber agrees to hold the Company and its directors, officers, employees, affiliates, controlling persons and agents (including any Placement Agent and its officers, directors, employees, counsel, controlling persons and agents) and their respective heirs, representatives, successors and assigns harmless and to indemnify them against all liabilities, costs and expenses incurred by them as a result of (a) any sale or distribution of the Securities by the Subscriber in violation of the Securities Act or any applicable state or foreign securities or "blue sky" laws; or (b) any false representation or warranty or any breach or failure by the Subscriber to comply with any covenant made by the Subscriber in this Agreement (including the Confidential Investor Questionnaire contained in Article VII herein) or any other document furnished by the Subscriber to any of the foregoing in connection with this transaction; provided, however, that in no event shall any indemnity under this Subsection 1.19 exceed the Subscription Amount subscribed for by the Subscriber pursuant to this Agreement, except in the case of willful fraud by the Subscriber.

1.20 The Subscriber understands, acknowledges and agrees with the Company that this subscription may be rejected, in whole or in part, by the Company, in the sole and absolute discretion of the Company, at any time before the Closing Date notwithstanding prior receipt by the Subscriber of notice of acceptance of the Subscriber's subscription.

1.21 The Subscriber acknowledges that the information contained in the Offering Materials or otherwise made available to the Subscriber is confidential and non-public and agrees that all such information shall be kept in confidence by the Subscriber and neither used by the Subscriber for the Subscriber's personal benefit (other than in connection with this subscription) nor disclosed to any third party for any reason, notwithstanding that a Subscriber's subscription may not be accepted by the Company; provided, however, that (a) the Subscriber may disclose such information to its attorneys and advisors who may have a need for such information in connection with providing advice to the Subscriber with respect to its investment in the Company, so long as such affiliates and advisors have an obligation of confidentiality, and (b) this obligation shall not apply to any such information that (i) is part of the public knowledge or literature and readily accessible at the date hereof, (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of this provision), or (iii) is received from third parties without an obligation of confidentiality (except third parties who disclose such information in violation of any confidentiality agreements or obligations, including, without limitation, any subscription or other similar agreement entered into with the Company).

1.22 The Subscriber represents that no authorization, approval, consent or license of any person is required to be obtained for the purchase of the Securities by the Subscriber, other than as have been obtained and are in full force and effect.

1.23 The Subscriber represents that the representations, warranties and agreements of the Subscriber contained herein and in any other writing delivered in connection with the transactions contemplated hereby shall be true and correct in all respects on the date hereof and as of the Closing Date on which the Subscriber purchases Series A Stock as if made on and as of such date and shall survive the execution and delivery of this Agreement and the purchase of the Series A Stock. The Subscriber agrees that the Company and the Placement Agents shall be entitled to rely on the representations, warranties and agreements of the Subscriber contained herein.

1.24 The Subscriber understands, acknowledges and agrees with the Company that, except as otherwise set forth herein, the subscription hereunder is irrevocable by the Subscriber, that, except as required by law, the Subscriber is not entitled to cancel, terminate or revoke this Agreement or any agreements of the Subscriber hereunder and that this Agreement and such other agreements shall survive the death or disability of the Subscriber 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 Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his/her heirs, executors, administrators, successors, legal representatives and permitted assigns.

1.25 The Subscriber understands, acknowledges and agrees with the Company that the Offering is intended to be exempt from registration under the Securities Act by virtue of the provisions of Regulation D thereunder, which is in part dependent upon the truth, completeness and accuracy of the representations and covenants made by the Subscriber in this Agreement.

1.26 The Subscriber understands, acknowledges, covenants and agrees that until the earlier to occur of the "Time-based Automatic Conversion Date" or the "Milestone Conversion Date" (each as defined in the Restated Charter) neither the Subscriber nor any of its affiliates nor any entity managed or controlled by the Subscriber will ever (i) enter into or execute or cause any person or entity to enter into or execute any "short sale" (as such term is defined in Rule 200 of Regulation SHO or any successor regulation promulgated by the SEC under the Exchange Act) of Series A Stock, Common Stock or any other equity securities of the Company or (ii) engage, through related parties or otherwise, in any

derivative or hedging transaction directly related to the Company's equity securities (including, without limitation, the purchase of any option or contract to sell). Further, Subscriber agrees that, upon the reasonable request of the Company, Subscriber will, and it will use its best efforts to cause its affiliates or any entity managed or controlled by the Subscriber to, verify in writing to the Company that it has not engaged in any such short sale, derivative hedging transaction directly related to such securities.

1.27 (a) Any Subscriber subject to jurisdiction in the European Economic Area ("EEA") either (i) is a qualified investor for the purposes of Directive 2003/71/EC of the European Parliament and the Council (a "Qualified Investor"); that is, a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by any such jurisdiction to be considered as a qualified investor for the purposes of such directive, or (ii) it has notified the Lead Placement Agent in writing that it is not a Qualified Investor;

(b) Any EEA Subscriber entering into this Agreement and acquiring Securities is either (i) acting on its own account and not for the account of or otherwise on behalf any other person or persons or (ii) if a Qualified Investor in the United Kingdom, it is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000;

(c) Any Subscriber, if in the United Kingdom, is (a) a person falling within Article 19(5) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO") or (b) a person falling within Article 49(2)(a) to (d) of the FPO;

(d) Each Subscriber acknowledges that no Placement Agent nor any person acting on its behalf is making any recommendations to it or advising it regarding the suitability or merits of purchasing Securities or any transaction it may enter into in connection with the offering of the Securities.

II. REPRESENTATIONS BY AND COVENANTS OF THE COMPANY

The Company hereby represents and warrants to the Subscriber that:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as currently conducted. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the property owned or leased by it 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 in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, conditions (financial or otherwise), properties, assets or results of operations of the Company (a "Material Adverse Effect").

2.2 Capitalization and Voting Rights. The authorized, issued and outstanding shares of the capital stock of the Company is as set forth in the Memorandum and all issued and outstanding shares of the Company are validly issued, fully paid and nonassessable. Except as set forth in the Memorandum, there are no outstanding options, warrants, agreements, convertible securities, preemptive rights or other rights to subscribe for or to purchase any shares of capital stock of the Company. Except as set forth in the Offering Materials and as otherwise required by law, there are no restrictions upon the voting or transfer of any of the shares of capital stock of the Company pursuant to the Company's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), By-Laws or other governing documents or any agreement or other instruments to which the Company is a party or by which the Company is bound.

2.3 Authorization; Enforceability. The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company, its directors and stockholders necessary for the (i) authorization, execution, delivery and performance of this Agreement by the Company; and (ii) authorization, sale, issuance and delivery of the Series A Stock contemplated hereby and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Series A Stock, when issued and fully paid for in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable. The issuance and sale of the Securities contemplated hereby will not give rise to any preemptive rights or rights of first refusal on behalf of any person which have not been waived in connection with this Offering.

2.4 No Conflict; Governmental Consents.

(a) Except as would not reasonably be expected to have a Material Adverse Effect or have been waived, the execution and delivery by the Company of this Agreement and the consummation of the transactions contemplated hereby will not result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Certificate of Incorporation or By-Laws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, approval, authorization or other order of any governmental authority or other third party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issue and sale of the Securities, except as have been obtained or such filings as may be required to be made with the SEC and with any state or foreign blue sky or securities regulatory authority relating to an exemption from registration thereunder.

2.5 Licenses. Except as would not reasonably be expected to have a Material Adverse Effect, the Company has sufficient licenses, permits and other governmental authorizations currently required for the conduct of its business or ownership of properties and is in all material respects complying therewith.

2.6 Litigation. Except as set forth in the Memorandum, the Company knows of no pending or threatened legal or governmental proceedings against the Company which (i) adversely questions the validity of this Agreement or any agreements related to the transactions contemplated hereby or the right of the Company to enter into any of such agreements, or to consummate the transactions contemplated hereby or thereby or (ii) could, if there were an unfavorable decision, have a Material Adverse Effect. There is no action, suit, proceeding or investigation by the Company currently pending in any court or before any arbitrator or that the Company intends to initiate.

2.7 Investment Company. The Company is not an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder.

2.8 Lead Placement Agent. The Company has engaged, consented to and authorized the Lead Placement Agent to act as agents of the Company in connection with the transactions contemplated by this Agreement, in accordance with the Engagement Agreement (as defined in the Memorandum). The Company will issue the Placement Agents warrants to purchase Series A Stock and will pay the Placement Agents cash commissions as described in the Memorandum. The Company will also reimburse the Lead Placement Agent's reasonable out-of-pocket expenses incurred in connection with the Offering up to $25,000, and the Company agrees to indemnify and hold harmless the Subscribers from and against all fees, commissions or other payments owing by the Company to the Placement Agents or any other person or firm acting on behalf of the Company hereunder.

2.9 Financial Statements. The financial statements of the Company included in Exhibit B to the Memorandum (the "Financial Statements") fairly present in all material respects the financial condition and results of operations of the Company at the dates and for the periods indicated and have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP") consistently applied throughout the periods covered thereby, except as may be otherwise specified in such Financial Statements or the notes thereto, and except that unaudited financial statements do not contain all footnotes and do not contain the cash flow statement required by GAAP, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal year-end audit adjustments. Since the date of the most recent balance sheet included as part of the Financial Statements, there has not been to the Company's knowledge: (i) any change in the assets, liabilities, financial condition or operations of the Company from that reflected in the Financial Statements, other than changes in the ordinary course of business, none of which individually or in the aggregate would reasonably be expected to have a Material Adverse Effect; or (ii) any other event or condition of any character that, either individually or cumulatively, would reasonably be expected to have a Material Adverse Effect, except for the expenses incurred in connection with the transactions contemplated by this Agreement.

2.10 Title to Properties and Assets; Liens, Etc. The Company has good and marketable title to its properties and assets, including the properties and assets reflected in the most recent balance sheet included in the Financial Statements, and good title to its leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than (a) those resulting from taxes which have not yet become delinquent; (b) liens and encumbrances which do not materially detract from the value of the property subject thereto or materially impair the operations of the Company; (c) those that have otherwise arisen in the ordinary course of business; and (d) those that would not reasonably be expected to have a Material Adverse Effect. The Company is in compliance with all material terms of each lease to which it is a party or is otherwise bound.

2.11 Patents and Trademarks. Except as would not reasonably be expected to have a Material Adverse Effect or as disclosed in the Memorandum, to the Company's knowledge, (i) the Company owns or possesses adequate licenses or other rights to use all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, manufacturing processes, formulae, trade secrets, licenses, customer lists and know how (collectively, "Intellectual Property"), (ii) the Company has not received any communications alleging that the Company has violated or, by conducting its business as conducted, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or other proprietary rights or processes of any other person or entity, nor is the Company aware of any basis therefor and (iii) no claim

is pending or, to the Company's knowledge after due inquiry, threatened to the effect that any Intellectual Property owned or licensed by the Company, or which the Company otherwise has the right to use, is invalid or unenforceable by the Company.

2.12 Obligations to Related Parties. Except as disclosed in the Memorandum or as would not reasonably be expected to have a Material Adverse Effect, there are no obligations of the Company to officers, directors, stockholders, or employees of the Company other than (a) for payment of salary or other compensation for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company, (c) standard indemnification provisions in the certificate of incorporation and by-laws, and (d) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under any stock option plan approved by the Board of Directors of the Company). Except as may be disclosed in the Financial Statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

2.13 Employee Relations; Employee Benefit Plans. The Company is not a party to any collective bargaining agreement or a union contract. The Company believes that its relations with its employees are good. No executive officer (as defined in Rule 501(f) of the Securities Act) of the Company has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. The Company is in compliance with all federal, state, local and foreign laws and regulations respecting employment and employment practices, 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. Except as disclosed in the Memorandum, the Company does not maintain any compensation or benefit plan, agreement, arrangement or commitment (including, but not limited to, "employee benefit plans", as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) for any present or former employees, officers or directors of the Company or with respect to which the Company has liability or makes or has an obligation to make contributions, other than any such plans, agreements, arrangements or commitments made generally available to the Company's employees.

2.14 Environmental Laws. To its knowledge, the Company (i) is in compliance with any and all Environmental Laws (as hereinafter defined), (ii) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.15 Tax Status. To the best of the Company's knowledge, the Company (i) has made or filed all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the Company knows of no basis for any such claim.

2.16 Absence of Certain Changes. Since the date of the Memorandum, there has been no change in the business, operations, conditions (financial or otherwise), prospects, assets or results of operations of the Company or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect.

2.17 Disclosure. The information set forth in the Offering Materials as of the date hereof contains no untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

III. TERMS OF SUBSCRIPTION

3.1 The minimum purchase that may be made by any prospective investor shall be $50,000. Subscriptions for investment below the minimum investment may be accepted at the discretion of the Lead Placement Agent and the Company. The Company reserves the right to reject any subscription made hereby, in whole or in part, in its sole discretion. The Company's agreement with each Subscriber is a separate agreement and the sale of the Securities to each Subscriber is a separate sale.

3.2 Pending the sale of the Series A Stock, all funds paid hereunder shall be deposited by the Company in escrow with U.S. Bank N.A., having a branch at 100 Wall Street, Suite 1600, New York, New York 10005 ("Escrow Agent"). This Offering will terminate on the earlier of (i) the Company's acceptance of subscriptions for the Maximum Amount, or (ii) March 31, 2010, unless terminated at an earlier time or extended by the mutual agreement of the Lead Placement Agent and the Company without notice to prospective investors for up to an additional sixty (60) days (the "Offering Termination Date"). The Company reserves the right to withdraw or cancel this Offering and to accept or reject any subscription in whole or in part, in its sole discretion. The Subscriber hereby authorizes and directs the Company and the Lead Placement Agent to direct the Escrow Agent to return any funds for unaccepted subscriptions to the same account from which the funds were drawn, without interest.

3.3 At any time after the Company has received subscriptions and related funds for the Minimum Offering, but prior to the Offering Termination Date, the Company may conduct a Closing and may conduct subsequent Closings on an interim basis until the Maximum Amount has been obtained or until the Offering Termination Date. Each Closing shall occur at the offices of Cooley Godward Kronish LLP, 4401 Eastgate Mall, San Diego, CA 92121.

3.4 The certificate for Series A Stock purchased by the Subscriber pursuant to this Agreement will be prepared for delivery to the Subscriber promptly following the Closing at which such purchase takes place. The Subscriber hereby authorizes and directs the Company to deliver the certificate for Series A Stock purchased by the Subscriber pursuant to this Agreement to the residential or business address indicated on the signature page hereto.

IV. CONDITIONS TO OBLIGATIONS OF THE PARTIES

4.1 In addition to the Company's right to reject, in whole or in part, any subscription at any time before the Closing Date, the Company's obligation to issue the Series A Stock at each Closing to the applicable Subscriber is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of the Company to the extent permitted by law:

(a) The representations and warranties made by each Subscriber in Article I hereof shall be true and correct in all material respects.

(b) All covenants, agreements and conditions contained in this Agreement to be performed by such Subscriber on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(c) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(d) The Restated Certificate, in substantially the form provided to the Subscribers, shall have been filed with the Secretary of State of the State of Delaware and shall be in full force and effect as of the Initial Closing.

(e) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Series A Stock (except as otherwise provided in this Agreement).

4.2 The Subscriber's obligation to purchase the Series A Stock at the Closing at which such purchase is to be consummated is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of each Subscriber to the extent permitted by law:

(a) The representations and warranties made by the Company in Article II hereof shall be true and correct in all material respects.

(b) The Minimum Amount (which shall not include conversion of the Existing Notes, other than New Indebtedness, into Series A Stock) shall have been subscribed for.

(c) All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(d) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(e) The Restated Certificate, in substantially the form provided to the Subscribers, shall have been filed with the Secretary of State of the State of Delaware and shall be in full force and effect as of the Initial Closing.

(f) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Series A Stock (except as otherwise provided in this Agreement).

(g) The Lead Placement Agent shall have received an opinion of counsel to the Company addressed to the Subscribers (which the Lead Placement Agent and Paramount BioCapital, Inc. may be permitted to rely on as if it were addressed to it) containing certain customary opinions, which opinion will be subject to standard qualifications and assumptions.

(h) The Lead Placement Agent shall have received an Officer's Certificate addressed to the Subscribers, signed by the authorized officer of the Company and dated as of the

Closing. The certificate shall state, among other things, that the representations and warranties contained herein and in the Offering Materials are true and accurate in all material respects at such Closing Date with the same effect as though expressly made at such Closing Date and the Lead Placement Agent shall be entitled to rely on such representations of the Company in the Offering Materials as if they were made directly to it.

V. REGISTRATION RIGHTS

5.1 Definitions. As used in this Agreement, the following terms shall have the following meanings.

(a) The term "Holder" shall mean any holder of Registrable Securities.

(b) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(c) The term "Registrable Securities" shall mean (i) the shares of common stock issuable upon the conversion of the Series A Stock sold in the Offering (or any successor security); and (ii) any shares of equity securities issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 5.11; or (D) may not be disposed of under Rule 144 under the Securities Act without restriction.

(d) The term "Trading Event" means the first date on which the Company's Common Stock trades on a national securities exchange or an Over-the-Counter Bulletin Board.

5.2 Piggyback Registration.

(a) The Company agrees that if, at any time, and from time to time, after the earlier to occur of (i) an IPO and (ii) a Trading Event, the Board of Directors of the Company (the "Board") shall authorize the filing of a registration statement under the Securities Act (other than the filing of a registration statement pursuant to the IPO or a registration statement on Form S-8, Form S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities) in connection with the proposed offer of any of its securities by it or any of its stockholders, the Company shall: (A) promptly notify each Holder that such registration statement will be filed and that the Registrable Securities then held by such Holder will be included in such registration statement at such Holder's request; (B) subject to Section 5.7, cause such registration statement to cover all of such Registrable Securities issued to such Holder for which such Holder requests inclusion; (C) use reasonable best efforts to cause such registration statement to become effective as soon as practicable; and (D) take all other reasonable action necessary under any Federal or state law or regulation of any governmental authority to permit all such Registrable Securities that have been issued to such Holder to be sold or otherwise disposed of, and will maintain such compliance with each such Federal and state law and regulation of any governmental authority for the period necessary for such Holder to promptly effect the proposed sale or other disposition.

(b) Notwithstanding any other provision of this Section 5.2, the Company may at any time, abandon or delay any registration commenced by the Company. In the event of such an abandonment by the Company, the Company shall not be required to continue registration of shares requested by the Holder for inclusion and the Holder shall retain the right to request inclusion of shares as set forth above.

5.3 Demand Registration.

(a) Registration on Request.

(i) The Company agrees that, at any time, and from time to time, but at least 180 days after the earlier to occur of (i) an IPO and (ii) a Trading Event, Holders of a majority of the Registrable Securities may make a written request that the Company effect the registration under the Securities Act of outstanding Registrable Securities; provided that such requested registration would cover at least 51% of the Registrable Securities owned by all the Holders at such time; and provided, further, that the Holders shall be entitled to no more than one such demand registration.

(ii) The Company further agrees that if, at any time, and from time to time, after the Company has qualified for the use of Form S-3 or any successor form, one or more of the Holders desire to effect the registration under the Securities Act on Form S-3 or any successor form ("Short-Form Registration") of outstanding Registrable Securities, such Holder(s) may make a written request that the Company effect a Short-Form Registration; provided that the aggregate price to the public of the shares as to which such registration is requested (based on the then current market price and before deducting underwriting discounts and commissions) would equal or exceed $5,000,000. It is understood and agreed that the Holders may make good faith requests for Short-Form Registrations on an unlimited number of occasions; provided further, that the Company shall not be required to effect more than one Short Form Registration in any 12-month period.

(iii) Each request made by one or more of the Holders pursuant to subsection (i) or (ii) above (the "Initiating Holders") will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Following receipt of any such request, the Company shall promptly notify all Holders other than the Initiating Holders of receipt of such request and the Company shall use best efforts to file, within 60 days of such request, a registration statement under the Securities Act with respect to the Registrable Securities that the Company has been so requested to register in the request by the Initiating Holders (and in all notices received by the Company from such other Holders within 30 days after the giving of such notice by the Company), to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities to be registered. If such method of disposition shall be an underwritten public offering, the Holders of a majority of the shares of Registrable Securities to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Holders will be permitted to withdraw Registrable Securities from a registration at any time prior to the effective date of such registration; provided the remaining number of shares of Registrable Securities subject to a requested registration is not less than the minimum amount required pursuant to this Section 5.3.

(b) Limitations on Demand Registration. Notwithstanding Section 5.3(a), the Company shall not be obligated to file a registration statement relating to a registration request pursuant to this Section 5.3 at any time during the 180-day period immediately following the effective date of any registration statement filed by the Company (other than on Form S-8 or S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration

of securities); and if the Board determines, in its good faith judgment, that the Company (i) should not file any registration statement otherwise required to be filed pursuant to Section 5.3 or (ii) should withdraw any such previously filed registration statement because the Board determines, in its good faith judgment, that the Company is in the possession of material nonpublic information required to be disclosed in such registration statement or an amendment or supplement thereto, the disclosure of which in such registration statement would be materially disadvantageous to the Company (a "Disadvantageous Condition"), the Company shall be entitled to postpone for the shortest reasonable period of time (but not exceeding 90 days from the date of the determination), the filing of such registration statement or, if such registration statement has already been filed, may suspend or withdraw such registration statement and shall promptly give the Holders written notice of such determination and an approximation of the anticipated delay. Upon the receipt of any such notice, such Holders shall forthwith discontinue use of the prospectus contained in such registration statement and, if so directed by the Company, shall deliver to the Company all copies of the prospectus then covering such Registrable Securities current at the time of receipt of such notice (or, if no registration statement has yet been filed, all drafts of the prospectus covering such Registrable Securities). If any Disadvantageous Condition shall cease to exist, the Company shall promptly notify the Holders to such effect. If any registration statement shall have been withdrawn, the Company shall, at such time as it is possible or, if earlier, at the end of the 90-day period following such withdrawal, file a new registration statement covering the Registrable Securities that were covered by such withdrawn registration statement. The Company's right to delay a request for registration or to withdraw a registration statement pursuant to this Section 5.3 may not be exercised more than once in any one-year period.

5.4 Registration Procedures. Whenever required under this Article V to include Registrable Securities in a Company registration statement, the Company shall, as expeditiously as reasonably possible:

(a) Use reasonable best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective in accordance with Section 5.12 hereof. The Company will also use its reasonable best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; provided, however, that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) or (ii) above in the preceding sentence to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any Selling Holder, subject to Section 5.5, (i) as expeditiously as reasonably possible, use reasonable best efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 5.4 which may be applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use reasonable best efforts to register and qualify the securities covered by such registration statement under the state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each selling Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use reasonable best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the Over-the-Counter Bulletin Board.

(h) Provide a transfer agent and registrar for all Registrable Securities registered hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

5.5 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Article V with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

5.6 Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Sections 5.2 or 5.3 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors to any of the Holders.

5.7 Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 5.2 to include any of the Holders' Registrable Securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders, subject to giving precedence to holders of registration rights senior in time of grant to the Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence.

5.8 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Article V.

5.9 Indemnification. In the event that any Registrable Securities are included in a registration statement under this Article V:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material

fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of this Agreement by a Holder.

(b) To the extent permitted by law, each Selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of this Agreement by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 5.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 5.9(b) exceed the greater of the cash value of the (i) gross proceeds from the offering received by such Holder or (ii) such Holder's investment pursuant to this Agreement as set forth on the signature page attached hereto.

(c) Promptly after receipt by an indemnified party under this Section 5.9 of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 5.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 5.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5.9.

(d) If the indemnification provided for in this Section 5.9 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 therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 5.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Article V, and otherwise.

5.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

5.11 Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Article V may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such transferee agrees in writing to comply with the terms and provisions of this Agreement; (b) such transfer is otherwise in compliance with this Agreement; (c) such transfer is otherwise effected in accordance with applicable securities laws; and (d) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 5.11, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer of such registration rights shall by void.

5.12 Termination of Registration Rights. The right of any Holder to request or demand inclusion in any registration pursuant to Section 5.2 and Section 5.3 shall terminate if all Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction.

VI. MISCELLANEOUS

6.1 Any notice or other communication given hereunder shall be deemed sufficient if in writing and sent by registered or certified mail, return receipt requested, or delivered by hand against written receipt therefor, addressed as follows:

if to the Company, to it at:

Coronado Biosciences, Inc.
1700 Seventh Avenue
Suite 2100
Seattle, Washington 98101
Attn: President

With a copy to:

Cooley Godward Kronish LLP
4401 Eastgate Mall
San Diego, CA 92121
Facsimile: 858-550-6420
Attn: Jason Kent, Esq.

if to the Subscriber, to the Subscriber's address indicated on the signature page of this Agreement.

Notices shall be deemed to have been given or delivered on the date of mailing, except notices of change of address, which shall be deemed to have been given or delivered when received.

6.2 Except as otherwise expressly provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely) with the written consent of the Company and subscribers holding at least a majority of the then outstanding Series A Stock issued in the Offering. Any amendment or waiver effected in accordance with this Section 6.2 shall be binding upon the Subscriber and the Company (even if the Subscriber does not consent to such amendment or waiver), and upon the effectuation of each such amendment or waiver, the Company shall promptly give written notice thereof to the Subscriber if the Subscriber has not previously consented thereto in writing.

6.3 Subject to the provisions of Section 5.11, this Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, legal representatives, successors and assigns. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

6.4 Upon the execution and delivery of this Agreement by the Subscriber, this Agreement shall become a binding obligation of the Subscriber with respect to the purchase of Series A Stock as herein provided, subject, however, to the right hereby reserved by the Company to enter into the same agreements with other subscribers and to add and/or delete other persons as subscribers.

6.5 NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT ALL THE TERMS AND PROVISIONS HEREOF SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAW. IN THE EVENT THAT A JUDICIAL PROCEEDING IS NECESSARY, THE SOLE FORUM FOR RESOLVING DISPUTES ARISING OUT OF OR RELATING TO THIS AGREEMENT IS THE STATE AND FEDERAL COURTS SITTING IN THE BOROUGH OF MANHATTAN, COUNTY OF NEW YORK. THE PARTIES HEREBY IRREVOCABLY CONSENT TO THE JURISDICTION OF SUCH COURTS AND AGREE TO SAID VENUE.

6.6 The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect. If any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part, such provision shall be interpreted so as to remain enforceable to the maximum extent permissible consistent with applicable law and the remaining conditions and provisions or portions thereof shall nevertheless remain in full force and effect and enforceable to the extent they are valid, legal and enforceable, and no provisions shall be deemed dependent upon any other covenant or provision unless so expressed herein.

6.7 It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach by that same party.

6.8 The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

6.9 This Agreement may be executed in two or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

6.10 Nothing in this Agreement shall create or be deemed to create any rights in any person or entity not a party to this Agreement, except (a) for the holders of Registrable Securities; (b) for the Placement Agents pursuant to Sections 1.6(a), 1.23 and 3.1 hereof, (c) for the indemnified parties (including without limitation the Placement Agents and sub agents, if any) pursuant to Section 5.9 hereof; and (d) that the Placement Agents may rely upon the representations and acknowledgements of the Subscriber in Articles I and VII hereof and the representations and warranties of the Company in Article II hereof.

Remainder of Page Intentionally Left Blank.

VII. CONFIDENTIAL INVESTOR QUESTIONNAIRE

7.1 **ALL INVESTORS - The undersigned represents and warrants as indicated below by the undersigned's mark**:

A. Individual investors: (Please mark one or more of the following statements)

1. ____ I certify that I am an accredited investor because I have had individual income (exclusive of any income earned by my spouse) of more than $200,000 in each of the most recent two years and I reasonably expect to have an individual income in excess of $200,000 for the current year.

2. ____ I certify that I am an accredited investor because I have had joint income with my spouse in excess of $300,000 in each of the most recent two years and reasonably expect to have joint income with my spouse in excess of $300,000 for the current year.

3. ____ I certify that I am an accredited investor because I have an individual net worth, or my spouse and I have a joint net worth, in excess of $1,000,000.

4. ____ I am a director or executive officer of Coronado Biosciences, Inc.

B. Partnerships, corporations, trusts or other entities: (Please mark one of the following seven statements). The undersigned hereby certifies that it is an accredited investor because it is:

1. ____ an employee benefit plan whose total assets exceed $5,000,000;

2. ____ an employee benefit plan whose investments decisions are made by a plan fiduciary which is either a bank, savings and loan association or an insurance company (as defined in Section 3(a) of the Securities Act) or an investment adviser registered as such under the Investment Advisers Act of 1940;

3. ____ a self-directed employee benefit plan, including an Individual Retirement Account, with investment decisions made solely by persons that are accredited investors;

4. ____ an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

5. ____ a corporation, partnership, limited liability company, limited liability partnership, other entity or similar business trust, not formed for the specific purpose of acquiring the Series A Stock, with total assets in excess of $5,000,000;

6. ____ a trust, not formed for the specific purpose of acquiring the Series A Stock, with total assets exceeding $5,000,000, whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in the Series A Stock; or

7. ____ an entity (including a revocable grantor trust but other than a conventional trust) in which each of the equity owners qualifies as an accredited investor.

7.2 **EUROPEAN ECONOMIC AREA ("EEA") INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

A. Please mark one of the following statements:

either

1._____The undersigned hereby certifies that it is a Qualified Investor for the purposes of Directive 2003/71/EC because it is a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by a jurisdiction in the EEA to be considered as a qualified investor for the purposes of such directive;

or

2._____The undersigned hereby certifies that it is not a Qualified Investor for the purposes of Directive 2003/71/EC.

B. Please mark one of the following statements.

1._____The undersigned hereby certifies that it is acting on its own account and not for the account of or otherwise on behalf of any person or persons; or

2._____The undersigned is in the United Kingdom and is a Qualified Investor for the purposes of Directive 2003/71/EC and is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000.

C. Please mark the following statement:

1._____The undersigned hereby certifies that it has not received any recommendation from any Placement Agent nor any person acting on their behalf in relation to the purchase of the Securities.

D. Please mark one of the following statements:

1._____The undersigned hereby certifies that it is not in the United Kingdom.

2._____The undersigned hereby certifies that it is a person falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO").

3._____The undersigned hereby certifies that it is a person falling within Article 49(2)(a) to the (d) of the FPO.

7.3 **ALL INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

FINRA AFFILIATION.

Are you affiliated or associated with an FINRA member firm:

Yes _____ No _____

If Yes, please describe:

* If subscriber is a Registered Representative with an FINRA member firm, have the following acknowledgment signed by the appropriate party:

The undersigned FINRA member firm acknowledges receipt of the notice required by NASD Rule 3050.

Name of FINRA Member Firm

By: _____
Authorized Officer

Date: _____

7.4 **ALL INVESTORS - Indicate manner in which title is to be held** (circle one)

(a) Individual Ownership

(b) Community Property

(c) Joint Tenant with Right of Survivorship (both parties must sign)

(d) Partnership

(e) Tenants in Common

(f) Corporation

(g) Limited Liability Company

(h) Trust

(i) Other

7.5 **ALL INVESTORS - Please answer each question**.

SUITABILITY

(a) For an individual Subscriber, please describe your current employment, including the company by which you are employed and its principal business:

(b) For an individual Subscriber, please describe any college or graduate degrees held by you:

(c) For all Subscribers, please list types of prior investments:

(d) For all Subscribers, please state whether you have you participated in other private placements before:

YES _____ NO _____

(e) If your answer to question 7.2(d) above was "YES", please indicate frequency of such prior participation in private placements of:

	Public Companies	Private Companies	Public or Private Biopharmaceutical Companies
Frequently	_____	_____	_____
Occasionally	_____	_____	_____
Never	_____	_____	_____

(f) For individual Subscribers, do you expect your current level of income to significantly decrease in the foreseeable future:

YES _____ NO _____

(g) For trust, corporate, partnership and other institutional Subscribers, do you expect your total assets to significantly decrease in the foreseeable future:

YES _____ NO _____

(h) For all Subscribers, do you have any other investments or contingent liabilities which you reasonably anticipate could cause you to need sudden cash requirements in excess of cash readily available to you:

YES _____ NO _____

(i) For all Subscribers, are you familiar with the risk aspects and the non-liquidity of investments such as the securities for which you seek to subscribe?

YES _____ NO _____

(j) For all Subscribers, do you understand that there is no guarantee of financial return on this investment and that you run the risk of losing your entire investment?

YES _____ NO _____

7.6 The undersigned is informed of the significance to the Company of the foregoing representations and answers contained in the Confidential Investor Questionnaire contained in this Article VII and such answers have been provided under the assumption that the Company will rely on them.

Signature: _____

_____
(If purchased jointly)

Print Name: _____

_____
(If purchased jointly)

Date: _____

AGGREGATE SUBSCRIPTION AMOUNT: $_____

NUMBER OF SHARES (at $8.39 per share): _____

Signature	Signature (if purchasing jointly)
Name Typed or Printed	Name Typed or Printed
Entity Name	Entity Name
Address	Address
City, State and Zip Code	City, State and Zip Code
Telephone-Business	Telephone-Business
Telephone-Residence	Telephone-Residence
Facsimile-Business	Facsimile-Business
Facsimile-Residence	Facsimile-Residence
Tax ID # or Social Security #	Tax ID # or Social Security #

Name in which securities should be issued:

Dated: _____, 2010

This Subscription Agreement is agreed to and accepted as of _____, 2010.

Coronado Biosciences, Inc.

By: _____
Name: Raymond J. Tesi, M.D.
Title: President and Chief Executive Office

CERTIFICATE OF SIGNATORY

(To be completed if Securities are
being subscribed for by an entity)

I, _____, am the _____ of _____ (the "Entity").

I certify that I am empowered and duly authorized by the Entity to execute and carry out the terms of the Subscription Agreement and to purchase and hold the Securities, and certify further that the Subscription Agreement has been duly and validly executed on behalf of the Entity and constitutes a legal and binding obligation of the Entity.

IN WITNESS WHEREOF, I have set my hand this __ day of _____, ____

_____
(Signature)

Exhibit 10.4

SUBSCRIPTION AGREEMENT

This **SUBSCRIPTION AGREEMENT** (this "Agreement") is made as of the last date set forth on the signature page hereof between Coronado Biosciences, Inc., a Delaware corporation having its principal place of business at 1700 Seventh Avenue; Suite 2100; Seattle, Washington 98101 (the "Company"), and the undersigned (the "Subscriber").

W I T N E S S E T H:

WHEREAS, the Company has retained Paramount BioCapital, Inc. (the "Lead Placement Agent") to act as its exclusive lead placement agent, on a "reasonable best efforts" basis, in a private offering (the "Offering") of the Company's series A preferred stock (the "Series A Stock"), and in connection therewith has authorized the Lead Placement Agent to engage one or more other firms to assist in finding qualified subscribers for the Series A Stock (such other firms, if any, together with the Lead Placement Agent, the "Placement Agents");

WHEREAS, the terms of the Offering are summarized in that certain Confidential Offering Memorandum dated May 3, 2010 (together with all amendments, supplements, exhibits and appendices thereto, the "Memorandum");

WHEREAS, the Company desires to offer and sell, at a price of $8.39 per share (the "Purchase Price Per Share"), a minimum of $5,000,000 of Series A Stock (the "Minimum Offering") and a maximum of $25,000,000 of Series A Stock (the "Maximum Amount"); and

WHEREAS, the Company desires to enter into this Agreement to issue and sell the Series A Stock and the Subscriber desires to purchase the number of shares of Series A Stock set forth on the signature page hereto on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the promises and the mutual representations and covenants hereinafter set forth, the parties hereto do hereby agree as follows:

I. SUBSCRIPTION FOR SERIES A STOCK AND REPRESENTATIONS BY SUBSCRIBER

1.1 Subject to the terms and conditions hereinafter set forth, the Subscriber hereby irrevocably subscribes for and agrees to purchase from the Company that number of shares of Series A Stock set forth on the signature page hereto (the "Subscription Amount") in the form of immediately available U.S. dollars in the amount of the Subscription Amount by wire transfer. Wire transfers shall be delivered to:

Bank:	U.S. Bank National Association Corporation Trust St. Paul MN
ABA Number:	091000022
Further Credit to Account Name:	U.S. Bank N.A.
Account #:	180121167365
Final Beneficiary Recipient/Subacct:	Paramount & Coronado Escrow
SEI/Subacct Number:	140861000
Reference:	[Investor Name]
Attention:	Stefan Ronchetti 651-495-2148 (phone) 651-495-8087 (fax)

Upon acceptance by the Placement Agents and the Company of subscriptions equal to at least the Minimum Offering, the Lead Placement Agent and the Company shall have the right at any time thereafter, prior to the Offering Termination Date (as defined in Section 3.2), to effect an initial closing with respect to the Offering (the "Initial Closing"). Thereafter, the Placement Agents and the Company shall continue to accept additional subscriptions for, and continue to have closings (together with the Initial Closing, each a "Closing" and the date thereof the "Closing Date") with respect to subscriptions for Series A Stock from new or existing investors from time to time and at any time up to the Offering Termination Date.

The Subscriber understands that the Company's and the Placement Agents' respective officers, directors, employees and/or affiliates may purchase Series A Stock in this Offering, which purchases may be used to satisfy the Minimum Offering.

1.2 The Subscriber recognizes that the purchase of the Series A Stock involves a high degree of risk including, but not limited to, the following: (a) the Company remains a development stage business with limited operating history and requires substantial funds in addition to the proceeds of the Offering; (b) an investment in the Company is highly speculative, and only investors who can afford the loss of their entire investment should consider investing in the Company and the Series A Stock; (c) the Subscriber may not be able to liquidate its investment; (d) transferability of the Series A Stock and shares of the Company's common stock issuable upon conversion of the Series A Stock (sometimes referred to as the "Securities") is extremely limited; (e) in the event of a disposition of the Securities, the Subscriber could sustain the loss of its entire investment; and (f) the Company has not paid any dividends on its capital stock since its inception and, except for the potential payment of the "Special Dividend" set forth in the Company's Amended and Restated Certificate of Incorporation, provided to the Subscribers (the "Restated Certificate"), does not anticipate paying any dividends in the foreseeable future. Without limiting the generality of the representations set forth in Section 1.5 below, the Subscriber represents that the Subscriber has carefully reviewed the section of the Memorandum captioned "Risk Factors."

1.3 The Subscriber represents that the Subscriber is an "accredited investor" as such term is defined in Rule 501 of Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act"), as indicated by the Subscriber's responses to the questions contained in Article VII hereof, and that the Subscriber is able to bear the economic risk of an investment in the Securities. If the Subscriber is a natural person, the Subscriber has reached the age of majority in the state or other jurisdiction in which the Subscriber resides, has adequate means of providing for the Subscriber's current financial needs and contingencies, is able to bear the substantial economic risks of an investment in the Securities for an indefinite period of time, has no need for liquidity in such investment and, at the present time, could afford a complete loss of such investment.

1.4 The Subscriber hereby acknowledges and represents that (a) the Subscriber has sufficient knowledge and experience in business and financial matters, prior investment experience, including investment in securities that are non-listed, unregistered and/or not traded on a national securities exchange, or the Subscriber has employed the services of a "purchaser representative" (as defined in Rule 501 of Regulation D), attorney and/or accountant to read all of the documents furnished or made available by the Company both to the Subscriber and to all other prospective investors in the Securities in order to evaluate the merits and risks of such an investment on the Subscriber's behalf; (b) the Subscriber recognizes the highly speculative nature of this investment; and (c) the Subscriber is able to bear the economic risk that the Subscriber hereby assumes.

1.5 The Subscriber hereby acknowledges receipt and careful review of this Agreement and the Memorandum (which includes the Risk Factors), including all exhibits thereto (collectively referred to as the "Offering Materials") and hereby represents that the Subscriber has been furnished by the Company during the course of the Offering with all information regarding the Company, the terms and conditions of the Offering and any additional information that the Subscriber, its purchaser representative, attorney and/or accountant has requested or desired to know, and has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of the Company concerning the Company and the terms and conditions of the Offering.

1.6 (a) In making the decision to invest in the Securities, the Subscriber has relied solely upon the information provided by the Company in the Offering Materials. To the extent necessary, the Subscriber has retained, at its own expense, and relied upon appropriate professional advice regarding the investment, tax and legal merits and consequences of this Agreement and the purchase of the Securities hereunder. The Subscriber disclaims reliance on any statements made or information provided by any person or entity in the course of Subscriber's consideration of an investment in the Securities other than the Offering Materials. The Subscriber acknowledges and agrees that (i) the Company has prepared the Offering Materials and that no other person, including without limitation, any Placement Agent, has supplied any information for inclusion in the Offering Materials other than information furnished in writing to the Company by the Placement Agents specifically for inclusion in those parts of the Offering Materials relating specifically to the Placement Agents, (ii) the Placement Agents have no responsibility for the accuracy or completeness of the Offering Materials and (iii) the Subscriber has not relied upon the independent investigation or verification, if any, that may have been undertaken by the Placement Agents.

(b) The Subscriber represents that (i) the Subscriber was contacted regarding the sale of the Securities by the Company or a Placement Agent (or an authorized agent or representative of the Company or a Placement Agent) with whom the Subscriber had a prior substantial pre-existing relationship and (ii) no Securities were offered or sold to it by means of any form of general solicitation or general advertising, and in connection therewith, the Subscriber did not (A) receive or review any advertisement, article, notice or other communication published in a newspaper or magazine or similar media or broadcast over television or radio, whether closed circuit, or generally available; or (B) attend any seminar meeting or industry investor conference whose attendees were invited by any general solicitation or general advertising.

1.7 The Subscriber hereby represents that the Subscriber, either by reason of the Subscriber's business or financial experience or the business or financial experience of the Subscriber's professional advisors (who are unaffiliated with and not compensated by the Company or any affiliate or selling agent of the Company, including the Placement Agents, directly or indirectly), has the capacity to protect the Subscriber's own interests in connection with the transaction contemplated hereby.

1.8 The Subscriber hereby acknowledges that the Offering has not been reviewed by the United States Securities and Exchange Commission (the "SEC") nor any state regulatory authority since the Offering is intended to be exempt from the registration requirements of Section 5 of the Securities Act pursuant to Regulation D promulgated thereunder. The Subscriber understands that the Securities have not been registered under the Securities Act or under any state securities or "blue sky" laws and agrees not to sell, pledge, assign or otherwise transfer or dispose of the Securities unless they are registered under the Securities Act and under any applicable state securities or "blue sky" laws or unless an exemption from such registration is available.

1.9 The Subscriber understands that the Securities have not been registered under the Securities Act or any state securities laws by reason of a claimed exemption under the provisions of the

Securities Act and such state securities laws that depends, in part, upon the Subscriber's investment intention. The Subscriber hereby represents that the Subscriber is purchasing the Securities for the Subscriber's own account for investment and not with a view toward the resale or distribution to others. The Subscriber, if an entity, further represents that it was not formed for the purpose of purchasing the Securities.

1.10 The Subscriber understands that there is no public market for the Securities and that no market may develop for any of such Securities. The Subscriber understands that even if a public market develops for such Securities, Rule 144 ("Rule 144") promulgated under the Securities Act requires for non-affiliates, among other conditions, a one-year holding period prior to the resale (in limited amounts) of securities acquired in a non-public offering without having to satisfy the registration requirements under the Securities Act. The Subscriber understands and hereby acknowledges that the Company is under no obligation to register any of the Securities under the Securities Act or any state securities or "blue sky" laws other than as set forth in Article V.

1.11 The Subscriber consents to the placement of a legend on any certificate or other document evidencing the Securities that such Securities have not been registered under the Securities Act or any state securities or "blue sky" laws and setting forth or referring to the restrictions on transferability and sale thereof contained in this Agreement. The Subscriber is aware that the Company will make a notation in its appropriate records with respect to the restrictions on the transferability of such Securities. The legend to be placed on each certificate shall be in form substantially similar to the following:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES OR "BLUE SKY" LAWS, AND MAY NOT BE OFFERED, SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED ABSENT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT, OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE COMPANY AND ITS COUNSEL, THAT SUCH REGISTRATION IS NOT REQUIRED."

1.12 The Subscriber hereby represents that the address of the Subscriber furnished by Subscriber on the signature page hereof is the Subscriber's principal residence if Subscriber is an individual or its principal business address if it is a corporation or other entity.

1.13 The Subscriber represents that the Subscriber has full power and authority (corporate, statutory and otherwise) to execute and deliver this Agreement and to purchase the Securities. This Agreement constitutes the legal, valid and binding obligation of the Subscriber, enforceable against the Subscriber in accordance with its terms.

1.14 If the Subscriber is a corporation, partnership, limited liability company, trust, employee benefit plan, individual retirement account, Keogh Plan, or other tax-exempt entity, (a) it is authorized and qualified to invest in the Company and the person signing this Agreement on behalf of such entity has been duly authorized by such entity to do so and (b) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization.

1.15 The Subscriber acknowledges that if he or she is a Registered Representative of a Financial Industry Regulatory Authority ("FINRA") member firm, he or she must give such firm the notice required by FINRA Rule 3050, receipt of which must be acknowledged by such firm in Section 7.3 below.

1.16 Subject to the provision below, the Subscriber hereby agrees that in the case of an initial offering of the Company's securities to the public pursuant to an effective registration statement under the Securities Act (the "IPO"), the Subscriber will not, without the prior written consent of the Company, offer, pledge, sell, contract to sell, grant any option for the sale of, or otherwise dispose of, directly or indirectly, the Registrable Securities (as defined in Section 5.1) purchased or acquired by the Subscriber for a period of up to 180 days from the effective date of the registration statement relating to the IPO (or such longer period, not to exceed 34 days after the expiration of the 180-day period, as the underwriters or the Company shall request in order to facilitate compliance with NASD Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation) and that the Subscriber will enter into an agreement with the Company or managing underwriter of the IPO to that effect.

1.17 (a) The Subscriber agrees not to issue any public statement with respect to the Subscriber's investment or proposed investment in the Company or the terms of any agreement or covenant between them and the Company without the Company's prior written consent, except such disclosures as may be required under applicable law or under any applicable order, rule or regulation.

(b) The Company agrees not to disclose the names, addresses or any other information about the Subscribers, except as required by law, including without limitation the use of the name (but not the address) of the Subscriber in any registration statement filed pursuant to Article V in which the Subscriber's shares are included and the disclosure of such information in any subsequent offering memorandum if the Subscriber beneficially owns five percent (5%) or more of the Company's voting capital stock.

1.18 The Subscriber represents and warrants that it has not engaged, consented to or authorized any broker, finder or intermediary to act on its behalf, directly or indirectly, as a broker, finder or intermediary in connection with the transactions contemplated by this Agreement. The Subscriber hereby agrees to indemnify and hold harmless the Company from and against all fees, commissions or other payments owing to any such person or firm acting on behalf of such Subscriber hereunder.

1.19 The Subscriber agrees to hold the Company and its directors, officers, employees, affiliates, controlling persons and agents (including any Placement Agent and its officers, directors, employees, counsel, controlling persons and agents) and their respective heirs, representatives, successors and assigns harmless and to indemnify them against all liabilities, costs and expenses incurred by them as a result of (a) any sale or distribution of the Securities by the Subscriber in violation of the Securities Act or any applicable state or foreign securities or "blue sky" laws; or (b) any false representation or warranty or any breach or failure by the Subscriber to comply with any covenant made by the Subscriber in this Agreement (including the Confidential Investor Questionnaire contained in Article VII herein) or any other document furnished by the Subscriber to any of the foregoing in connection with this transaction; provided, however, that in no event shall any indemnity under this Subsection 1.19 exceed the Subscription Amount subscribed for by the Subscriber pursuant to this Agreement, except in the case of willful fraud by the Subscriber.

1.20 The Subscriber understands, acknowledges and agrees with the Company that this subscription may be rejected, in whole or in part, by the Company, in the sole and absolute discretion of the Company, at any time before the Closing Date notwithstanding prior receipt by the Subscriber of notice of acceptance of the Subscriber's subscription.

1.21 The Subscriber acknowledges that the information contained in the Offering Materials or otherwise made available to the Subscriber is confidential and non-public and agrees that all such information shall be kept in confidence by the Subscriber and neither used by the Subscriber for the Subscriber's personal benefit (other than in connection with this subscription) nor disclosed to any third

party for any reason, notwithstanding that a Subscriber's subscription may not be accepted by the Company; provided, however, that (a) the Subscriber may disclose such information to its attorneys and advisors who may have a need for such information in connection with providing advice to the Subscriber with respect to its investment in the Company, so long as such affiliates and advisors have an obligation of confidentiality, and (b) this obligation shall not apply to any such information that (i) is part of the public knowledge or literature and readily accessible at the date hereof, (ii) becomes part of the public knowledge or literature and readily accessible by publication (except as a result of a breach of this provision), or (iii) is received from third parties without an obligation of confidentiality (except third parties who disclose such information in violation of any confidentiality agreements or obligations, including, without limitation, any subscription or other similar agreement entered into with the Company).

1.22 The Subscriber represents that no authorization, approval, consent or license of any person is required to be obtained for the purchase of the Securities by the Subscriber, other than as have been obtained and are in full force and effect.

1.23 The Subscriber represents that the representations, warranties and agreements of the Subscriber contained herein and in any other writing delivered in connection with the transactions contemplated hereby shall be true and correct in all respects on the date hereof and as of the Closing Date on which the Subscriber purchases Series A Stock as if made on and as of such date and shall survive the execution and delivery of this Agreement and the purchase of the Series A Stock. The Subscriber agrees that the Company and the Placement Agents shall be entitled to rely on the representations, warranties and agreements of the Subscriber contained herein.

1.24 The Subscriber understands, acknowledges and agrees with the Company that, except as otherwise set forth herein, the subscription hereunder is irrevocable by the Subscriber, that, except as required by law, the Subscriber is not entitled to cancel, terminate or revoke this Agreement or any agreements of the Subscriber hereunder and that this Agreement and such other agreements shall survive the death or disability of the Subscriber 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 Subscriber is more than one person, the obligations of the Subscriber hereunder shall be joint and several and the agreements, representations, warranties and acknowledgments herein contained shall be deemed to be made by and be binding upon each such person and his/her heirs, executors, administrators, successors, legal representatives and permitted assigns.

1.25 The Subscriber understands, acknowledges and agrees with the Company that the Offering is intended to be exempt from registration under the Securities Act by virtue of the provisions of Regulation D thereunder, which is in part dependent upon the truth, completeness and accuracy of the representations and covenants made by the Subscriber in this Agreement.

1.26 The Subscriber understands, acknowledges, covenants and agrees that until the earlier to occur of the "Time-based Automatic Conversion Date" or the "Milestone Conversion Date" (each as defined in the Restated Charter) neither the Subscriber nor any of its affiliates nor any entity managed or controlled by the Subscriber will ever (i) enter into or execute or cause any person or entity to enter into or execute any "short sale" (as such term is defined in Rule 200 of Regulation SHO or any successor regulation promulgated by the SEC under the Exchange Act) of Series A Stock, Common Stock or any other equity securities of the Company or (ii) engage, through related parties or otherwise, in any derivative or hedging transaction directly related to the Company's equity securities (including, without limitation, the purchase of any option or contract to sell). Further, Subscriber agrees that, upon the reasonable request of the Company, Subscriber will, and it will use its best efforts to cause its affiliates or any entity managed or controlled by the Subscriber to, verify in writing to the Company that it has not engaged in any such short sale, derivative hedging transaction directly related to such securities.

1.27 (a) Any Subscriber subject to jurisdiction in the European Economic Area ("EEA") either (i) is a qualified investor for the purposes of Directive 2003/71/EC of the European Parliament and the Council (a "Qualified Investor"); that is, a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by any such jurisdiction to be considered as a qualified investor for the purposes of such directive, or (ii) it has notified the Lead Placement Agent in writing that it is not a Qualified Investor;

(b) Any EEA Subscriber entering into this Agreement and acquiring Securities is either (i) acting on its own account and not for the account of or otherwise on behalf any other person or persons or (ii) if a Qualified Investor in the United Kingdom, it is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000;

(c) Any Subscriber, if in the United Kingdom, is (a) a person falling within Article 19(5) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO") or (b) a person falling within Article 49(2)(a) to (d) of the FPO;

(d) Each Subscriber acknowledges that no Placement Agent nor any person acting on its behalf is making any recommendations to it or advising it regarding the suitability or merits of purchasing Securities or any transaction it may enter into in connection with the offering of the Securities.

II. REPRESENTATIONS BY AND COVENANTS OF THE COMPANY

The Company hereby represents and warrants to the Subscriber that:

2.1 Organization, Good Standing and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has full corporate power and authority to conduct its business as currently conducted. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which the property owned or leased by it 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 in good standing would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the business, operations, conditions (financial or otherwise), properties, assets or results of operations of the Company (a "Material Adverse Effect").

2.2 Capitalization and Voting Rights. The authorized, issued and outstanding shares of the capital stock of the Company is as set forth in the Memorandum and all issued and outstanding shares of the Company are validly issued, fully paid and nonassessable. Except as set forth in the Memorandum, there are no outstanding options, warrants, agreements, convertible securities, preemptive rights or other rights to subscribe for or to purchase any shares of capital stock of the Company. Except as set forth in the Offering Materials and as otherwise required by law, there are no restrictions upon the voting or transfer of any of the shares of capital stock of the Company pursuant to the Company's Certificate of Incorporation, as amended (the "Certificate of Incorporation"), By-Laws or other governing documents or any agreement or other instruments to which the Company is a party or by which the Company is bound.

2.3 Authorization; Enforceability. The Company has all corporate right, power and authority to enter into this Agreement and to consummate the transactions contemplated hereby. All corporate action on the part of the Company, its directors and stockholders necessary for the (i) authorization, execution, delivery and performance of this Agreement by the Company; and (ii) authorization, sale, issuance and delivery of the Series A Stock contemplated hereby and the performance of the Company's obligations hereunder has been taken. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors and rules of law governing specific performance, injunctive relief or other equitable remedies, and to limitations of public policy. The Series A Stock, when issued and fully paid for in accordance with the terms of this Agreement, will be validly issued, fully paid and nonassessable. The issuance and sale of the Securities contemplated hereby will not give rise to any preemptive rights or rights of first refusal on behalf of any person which have not been waived in connection with this Offering.

2.4 No Conflict; Governmental Consents.

(a) Except as would not reasonably be expected to have a Material Adverse Effect or have been waived, the execution and delivery by the Company of this Agreement and the consummation of the transactions contemplated hereby will not result in the violation of any law, statute, rule, regulation, order, writ, injunction, judgment or decree of any court or governmental authority to or by which the Company is bound, or of any provision of the Certificate of Incorporation or By-Laws of the Company, and will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute (with due notice or lapse of time or both) a default under, any lease, loan agreement, mortgage, security agreement, trust indenture or other agreement or instrument to which the Company is a party or by which it is bound or to which any of its properties or assets is subject, nor result in the creation or imposition of any lien upon any of the properties or assets of the Company.

(b) No consent, approval, authorization or other order of any governmental authority or other third party is required to be obtained by the Company in connection with the authorization, execution and delivery of this Agreement or with the authorization, issue and sale of the Securities, except as have been obtained or such filings as may be required to be made with the SEC and with any state or foreign blue sky or securities regulatory authority relating to an exemption from registration thereunder.

2.5 Licenses. Except as would not reasonably be expected to have a Material Adverse Effect, the Company has sufficient licenses, permits and other governmental authorizations currently required for the conduct of its business or ownership of properties and is in all material respects complying therewith.

2.6 Litigation. Except as set forth in the Memorandum, the Company knows of no pending or threatened legal or governmental proceedings against the Company which (i) adversely questions the validity of this Agreement or any agreements related to the transactions contemplated hereby or the right of the Company to enter into any of such agreements, or to consummate the transactions contemplated hereby or thereby or (ii) could, if there were an unfavorable decision, have a Material Adverse Effect. There is no action, suit, proceeding or investigation by the Company currently pending in any court or before any arbitrator or that the Company intends to initiate.

2.7 Investment Company. The Company is not an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended, and the rules and regulations of the SEC thereunder.

2.8 Lead Placement Agent. The Company has engaged, consented to and authorized the Lead Placement Agent to act as agents of the Company in connection with the transactions contemplated by this Agreement, in accordance with the Engagement Agreement (as defined in the Memorandum). The Company will issue the Placement Agents warrants to purchase Series A Stock and will pay the Placement Agents cash commissions as described in the Memorandum. The Company will also reimburse the Lead Placement Agent's reasonable out-of-pocket expenses incurred in connection with the Offering up to $25,000, and the Company agrees to indemnify and hold harmless the Subscribers from and against all fees, commissions or other payments owing by the Company to the Placement Agents or any other person or firm acting on behalf of the Company hereunder.

2.9 Financial Statements. The financial statements of the Company included in Exhibit B to the Memorandum (the "Financial Statements") fairly present in all material respects the financial condition and results of operations of the Company at the dates and for the periods indicated and have been prepared in conformity with generally accepted accounting principles in the United States ("GAAP") consistently applied throughout the periods covered thereby, except as may be otherwise specified in such Financial Statements or the notes thereto, and except that unaudited financial statements do not contain all footnotes and do not contain the cash flow statement required by GAAP, and fairly present in all material respects the financial condition of the Company as of the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal year-end audit adjustments. Since the date of the most recent balance sheet included as part of the Financial Statements, there has not been to the Company's knowledge: (i) any change in the assets, liabilities, financial condition or operations of the Company from that reflected in the Financial Statements, other than changes in the ordinary course of business, none of which individually or in the aggregate would reasonably be expected to have a Material Adverse Effect; or (ii) any other event or condition of any character that, either individually or cumulatively, would reasonably be expected to have a Material Adverse Effect, except for the expenses incurred in connection with the transactions contemplated by this Agreement.

2.10 Title to Properties and Assets; Liens, Etc. The Company has good and marketable title to its properties and assets, including the properties and assets reflected in the most recent balance sheet included in the Financial Statements, and good title to its leasehold estates, in each case subject to no mortgage, pledge, lien, lease, encumbrance or charge, other than (a) those resulting from taxes which have not yet become delinquent; (b) liens and encumbrances which do not materially detract from the value of the property subject thereto or materially impair the operations of the Company; (c) those that have otherwise arisen in the ordinary course of business; and (d) those that would not reasonably be expected to have a Material Adverse Effect. The Company is in compliance with all material terms of each lease to which it is a party or is otherwise bound.

2.11 Patents and Trademarks. Except as would not reasonably be expected to have a Material Adverse Effect or as disclosed in the Memorandum, to the Company's knowledge, (i) the Company owns or possesses adequate licenses or other rights to use all patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, manufacturing processes, formulae, trade secrets, licenses, customer lists and know how (collectively, "Intellectual Property"), (ii) the Company has not received any communications alleging that the Company has violated or, by conducting its business as conducted, would violate any of the patents, trademarks, service marks, trade names, copyrights or trade secrets or other proprietary rights or processes of any other person or entity, nor is the Company aware of any basis therefor and (iii) no claim is pending or, to the Company's knowledge after due inquiry, threatened to the effect that any Intellectual Property owned or licensed by the Company, or which the Company otherwise has the right to use, is invalid or unenforceable by the Company.

2.12 Obligations to Related Parties. Except as disclosed in the Memorandum or as would not reasonably be expected to have a Material Adverse Effect, there are no obligations of the Company to officers, directors, stockholders, or employees of the Company other than (a) for payment of salary or other compensation for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company, (c) standard indemnification provisions in the certificate of incorporation and by-laws, and (d) for other standard employee benefits made generally available to all employees (including stock option agreements outstanding under any stock option plan approved by the Board of Directors of the Company). Except as may be disclosed in the Financial Statements, the Company is not a guarantor or indemnitor of any indebtedness of any other person, firm or corporation.

2.13 Employee Relations; Employee Benefit Plans. The Company is not a party to any collective bargaining agreement or a union contract. The Company believes that its relations with its employees are good. No executive officer (as defined in Rule 501(f) of the Securities Act) of the Company has notified the Company that such officer intends to leave the Company or otherwise terminate such officer's employment with the Company. The Company is in compliance with all federal, state, local and foreign laws and regulations respecting employment and employment practices, 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. Except as disclosed in the Memorandum, the Company does not maintain any compensation or benefit plan, agreement, arrangement or commitment (including, but not limited to, "employee benefit plans", as defined in Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) for any present or former employees, officers or directors of the Company or with respect to which the Company has liability or makes or has an obligation to make contributions, other than any such plans, agreements, arrangements or commitments made generally available to the Company's employees.

2.14 Environmental Laws. To its knowledge, the Company (i) is in compliance with any and all Environmental Laws (as hereinafter defined), (ii) has received all permits, licenses or other approvals required of it under applicable Environmental Laws to conduct its business and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The term "Environmental Laws" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "Hazardous Materials") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.15 Tax Status. To the best of the Company's knowledge, the Company (i) has made or filed all federal and state income and all other tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations, except those being contested in good faith and (iii) has set aside on its books provision reasonably adequate for the payment of all taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the Company knows of no basis for any such claim.

2.16 Absence of Certain Changes. Since the date of the Memorandum, there has been no change in the business, operations, conditions (financial or otherwise), prospects, assets or results of operations of the Company or any of its Subsidiaries that could reasonably be expected to have a Material Adverse Effect.

2.17 Disclosure. The information set forth in the Offering Materials as of the date hereof contains no untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

III. TERMS OF SUBSCRIPTION

3.1 The minimum purchase that may be made by any prospective investor shall be $50,000. Subscriptions for investment below the minimum investment may be accepted at the discretion of the Lead Placement Agent and the Company. The Company reserves the right to reject any subscription made hereby, in whole or in part, in its sole discretion. The Company's agreement with each Subscriber is a separate agreement and the sale of the Securities to each Subscriber is a separate sale.

3.2 Pending the sale of the Series A Stock, all funds paid hereunder shall be deposited by the Company in escrow with U.S. Bank N.A., having a branch at 100 Wall Street, Suite 1600, New York, New York 10005 ("Escrow Agent"). This Offering will terminate on the earlier of (i) the Company's acceptance of subscriptions for the Maximum Amount, or (ii) June 30, 2010, unless terminated at an earlier time or extended by the mutual agreement of the Lead Placement Agent and the Company without notice to prospective investors for up to an additional sixty (60) days (the "Offering Termination Date"). The Company reserves the right to withdraw or cancel this Offering and to accept or reject any subscription in whole or in part, in its sole discretion. The Subscriber hereby authorizes and directs the Company and the Lead Placement Agent to direct the Escrow Agent to return any funds for unaccepted subscriptions to the same account from which the funds were drawn, without interest.

3.3 At any time after the Company has received subscriptions and related funds for the Minimum Offering, but prior to the Offering Termination Date, the Company may conduct a Closing and may conduct subsequent Closings on an interim basis until the Maximum Amount has been obtained or until the Offering Termination Date. Each Closing shall occur at the offices of Cooley LLP, 4401 Eastgate Mall, San Diego, CA 92121.

3.4 The certificate for Series A Stock purchased by the Subscriber pursuant to this Agreement will be prepared for delivery to the Subscriber promptly following the Closing at which such purchase takes place. The Subscriber hereby authorizes and directs the Company to deliver the certificate for Series A Stock purchased by the Subscriber pursuant to this Agreement to the residential or business address indicated on the signature page hereto.

IV. CONDITIONS TO OBLIGATIONS OF THE PARTIES

4.1 In addition to the Company's right to reject, in whole or in part, any subscription at any time before the Closing Date, the Company's obligation to issue the Series A Stock at each Closing to the applicable Subscriber is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of the Company to the extent permitted by law:

(a) The representations and warranties made by each Subscriber in Article I hereof shall be true and correct in all material respects.

(b) All covenants, agreements and conditions contained in this Agreement to be performed by such Subscriber on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(c) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(d) The Restated Certificate, in substantially the form provided to the Subscribers, shall have been filed with the Secretary of State of the State of Delaware and shall be in full force and effect as of the Initial Closing.

(e) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Series A Stock (except as otherwise provided in this Agreement).

4.2 The Subscriber's obligation to purchase the Series A Stock at the Closing at which such purchase is to be consummated is subject to the fulfillment on or prior to such Closing of the following conditions, which conditions may be waived at the option of each Subscriber to the extent permitted by law:

(a) The representations and warranties made by the Company in Article II hereof shall be true and correct in all material respects.

(b) The Minimum Amount shall have been subscribed for.

(c) All covenants, agreements and conditions contained in this Agreement to be performed by the Company on or prior to the date of such Closing shall have been performed or complied with in all material respects.

(d) There shall not then be in effect any legal or other order enjoining or restraining the transactions contemplated by this Agreement.

(e) The Restated Certificate, in substantially the form provided to the Subscribers, shall have been filed with the Secretary of State of the State of Delaware and shall be in full force and effect as of the Initial Closing.

(f) There shall not be in effect any law, rule or regulation prohibiting or restricting such sale or requiring any consent or approval of any person, which shall not have been obtained, to issue the Series A Stock (except as otherwise provided in this Agreement).

(g) The Lead Placement Agent shall have received an opinion of counsel to the Company addressed to the Subscribers (which the Lead Placement Agent and Paramount BioCapital, Inc. may be permitted to rely on as if it were addressed to it) containing certain customary opinions, which opinion will be subject to standard qualifications and assumptions.

(h) The Lead Placement Agent shall have received an Officer's Certificate addressed to the Subscribers, signed by the authorized officer of the Company and dated as of the Closing. The certificate shall state, among other things, that the representations and warranties contained herein and in the Offering Materials are true and accurate in all material respects at such Closing Date with the same effect as though expressly made at such Closing Date and the Lead Placement Agent shall be entitled to rely on such representations of the Company in the Offering Materials as if they were made directly to it.

V. REGISTRATION RIGHTS

5.1 Definitions. As used in this Agreement, the following terms shall have the following meanings.

(a) The term "Holder" shall mean any holder of Registrable Securities.

(b) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(c) The term "Registrable Securities" shall mean (i) the shares of common stock issuable upon the conversion of the Series A Stock sold in the Offering (or any successor security); and (ii) any shares of equity securities issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 5.11; or (D) may not be disposed of under Rule 144 under the Securities Act without restriction.

(d) The term "Trading Event" means the first date on which the Company's Common Stock trades on a national securities exchange or an Over-the-Counter Bulletin Board.

5.2 Piggyback Registration.

(a) The Company agrees that if, at any time, and from time to time, after the earlier to occur of (i) an IPO and (ii) a Trading Event, the Board of Directors of the Company (the "Board") shall authorize the filing of a registration statement under the Securities Act (other than the filing of a registration statement pursuant to the IPO or a registration statement on Form S-8, Form S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities) in connection with the proposed offer of any of its securities by it or any of its stockholders, the Company shall: (A) promptly notify each Holder that such registration statement will be filed and that the Registrable Securities then held by such Holder will be included in such registration statement at such Holder's request; (B) subject to Section 5.7, cause such registration statement to cover all of such Registrable Securities issued to such Holder for which such Holder requests inclusion; (C) use reasonable best efforts to cause such registration statement to become effective as soon as practicable; and (D) take all other reasonable action necessary under any Federal or state law or regulation of any governmental authority to permit all such Registrable Securities that have been issued to such Holder to be sold or otherwise disposed of, and will maintain such compliance with each such Federal and state law and regulation of any governmental authority for the period necessary for such Holder to promptly effect the proposed sale or other disposition.

(b) Notwithstanding any other provision of this Section 5.2, the Company may at any time, abandon or delay any registration commenced by the Company. In the event of such an abandonment by the Company, the Company shall not be required to continue registration of shares requested by the Holder for inclusion and the Holder shall retain the right to request inclusion of shares as set forth above.

5.3 Demand Registration.

(a) Registration on Request.

(i) The Company agrees that, at any time, and from time to time, but at least 180 days after the earlier to occur of (i) an IPO and (ii) a Trading Event, Holders of a majority of the Registrable Securities may make a written request that the Company effect the registration under the Securities Act of outstanding Registrable Securities; provided that such requested registration would cover at least 51% of the Registrable Securities owned by all the Holders at such time; and provided, further, that the Holders shall be entitled to no more than one such demand registration.

(ii) The Company further agrees that if, at any time, and from time to time, after the Company has qualified for the use of Form S-3 or any successor form, one or more of the Holders desire to effect the registration under the Securities Act on Form S-3 or any successor form ("Short-Form Registration") of outstanding Registrable Securities, such Holder(s) may make a written request that the Company effect a Short-Form Registration; provided that the aggregate price to the public of the shares as to which such registration is requested (based on the then current market price and before deducting underwriting discounts and commissions) would equal or exceed $5,000,000. It is understood and agreed that the Holders may make good faith requests for Short-Form Registrations on an unlimited number of occasions; provided further, that the Company shall not be required to effect more than one Short Form Registration in any 12-month period.

(iii) Each request made by one or more of the Holders pursuant to subsection (i) or (ii) above (the "Initiating Holders") will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Following receipt of any such request, the Company shall promptly notify all Holders other than the Initiating Holders of receipt of such request and the Company shall use best efforts to file, within 60 days of such request, a registration statement under the Securities Act with respect to the Registrable Securities that the Company has been so requested to register in the request by the Initiating Holders (and in all notices received by the Company from such other Holders within 30 days after the giving of such notice by the Company), to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities to be registered. If such method of disposition shall be an underwritten public offering, the Holders of a majority of the shares of Registrable Securities to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Holders will be permitted to withdraw Registrable Securities from a registration at any time prior to the effective date of such registration; provided the remaining number of shares of Registrable Securities subject to a requested registration is not less than the minimum amount required pursuant to this Section 5.3.

(b) Limitations on Demand Registration. Notwithstanding Section 5.3(a), the Company shall not be obligated to file a registration statement relating to a registration request pursuant to this Section 5.3 at any time during the 180-day period immediately following the effective date of any registration statement filed by the Company (other than on Form S-8 or S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities); and if the Board determines, in its good faith judgment, that the Company (i) should not file any registration statement otherwise required to be filed pursuant to Section 5.3 or (ii) should withdraw any such previously filed registration statement because the Board determines, in its good faith judgment, that the Company is in the possession of material nonpublic information required to be disclosed in such

registration statement or an amendment or supplement thereto, the disclosure of which in such registration statement would be materially disadvantageous to the Company (a "Disadvantageous Condition"), the Company shall be entitled to postpone for the shortest reasonable period of time (but not exceeding 90 days from the date of the determination), the filing of such registration statement or, if such registration statement has already been filed, may suspend or withdraw such registration statement and shall promptly give the Holders written notice of such determination and an approximation of the anticipated delay. Upon the receipt of any such notice, such Holders shall forthwith discontinue use of the prospectus contained in such registration statement and, if so directed by the Company, shall deliver to the Company all copies of the prospectus then covering such Registrable Securities current at the time of receipt of such notice (or, if no registration statement has yet been filed, all drafts of the prospectus covering such Registrable Securities). If any Disadvantageous Condition shall cease to exist, the Company shall promptly notify the Holders to such effect. If any registration statement shall have been withdrawn, the Company shall, at such time as it is possible or, if earlier, at the end of the 90-day period following such withdrawal, file a new registration statement covering the Registrable Securities that were covered by such withdrawn registration statement. The Company's right to delay a request for registration or to withdraw a registration statement pursuant to this Section 5.3 may not be exercised more than once in any one-year period.

5.4 Registration Procedures. Whenever required under this Article V to include Registrable Securities in a Company registration statement, the Company shall, as expeditiously as reasonably possible:

(a) Use reasonable best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective in accordance with Section 5.12 hereof. The Company will also use its reasonable best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; provided, however, that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) or (ii) above in the preceding sentence to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any Selling Holder, subject to Section 5.5, (i) as expeditiously as reasonably possible, use reasonable best efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 5.4 which may be applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use reasonable best efforts to register and qualify the securities covered by such registration statement under the state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each selling Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use reasonable best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the Over-the-Counter Bulletin Board.

(h) Provide a transfer agent and registrar for all Registrable Securities registered hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

5.5 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Article V with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

5.6 Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Sections 5.2 or 5.3 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors to any of the Holders.

5.7 Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 5.2 to include any of the Holders' Registrable Securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders, subject to giving precedence to holders of registration rights senior in time of grant to the Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence.

5.8 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Article V.

5.9 Indemnification. In the event that any Registrable Securities are included in a registration statement under this Article V:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange

Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of this Agreement by a Holder.

(b) To the extent permitted by law, each Selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of this Agreement by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 5.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 5.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 5.9(b) exceed the greater of the cash value of the (i) gross proceeds from the offering received by such Holder or (ii) such Holder's investment pursuant to this Agreement as set forth on the signature page attached hereto.

(c) Promptly after receipt by an indemnified party under this Section 5.9 of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 5.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 5.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 5.9.

(d) If the indemnification provided for in this Section 5.9 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 therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) The obligations of the Company and Holders under this Section 5.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Article V, and otherwise.

5.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

5.11 Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Article V may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such transferee agrees in writing to comply with the terms and provisions of this Agreement; (b) such transfer is otherwise in compliance with this Agreement; (c) such transfer is otherwise effected in accordance with applicable securities laws; and (d) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 5.11, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer of such registration rights shall by void.

5.12 Termination of Registration Rights. The right of any Holder to request or demand inclusion in any registration pursuant to Section 5.2 and Section 5.3 shall terminate if all Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction.

VI. MISCELLANEOUS

6.1 Any notice or other communication given hereunder shall be deemed sufficient if in writing and sent by registered or certified mail, return receipt requested, or delivered by hand against written receipt therefor, addressed as follows:

if to the Company, to it at:

Coronado Biosciences, Inc.
1700 Seventh Avenue
Suite 2100
Seattle, Washington 98101
Attn: President

With a copy to:

Cooley LLP
4401 Eastgate Mall
San Diego, CA 92121
Facsimile: 858-550-6420
Attn: Jason Kent, Esq.

if to the Subscriber, to the Subscriber's address indicated on the signature page of this Agreement.

Notices shall be deemed to have been given or delivered on the date of mailing, except notices of change of address, which shall be deemed to have been given or delivered when received.

6.2 Except as otherwise expressly provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely) with the written consent of the Company and subscribers holding at least a majority of the then outstanding Series A Stock issued in the Offering. Any amendment or waiver effected in accordance with this Section 6.2 shall be binding upon the Subscriber and the Company (even if the Subscriber does not consent to such amendment or waiver), and upon the effectuation of each such amendment or waiver, the Company shall promptly give written notice thereof to the Subscriber if the Subscriber has not previously consented thereto in writing.

6.3 Subject to the provisions of Section 5.11, this Agreement shall be binding upon and inure to the benefit of the parties hereto and to their respective heirs, legal representatives, successors and assigns. This Agreement sets forth the entire agreement and understanding between the parties as to the subject matter hereof and merges and supersedes all prior discussions, agreements and understandings of any and every nature among them.

6.4 Upon the execution and delivery of this Agreement by the Subscriber, this Agreement shall become a binding obligation of the Subscriber with respect to the purchase of Series A Stock as herein provided, subject, however, to the right hereby reserved by the Company to enter into the same agreements with other subscribers and to add and/or delete other persons as subscribers.

6.5 NOTWITHSTANDING THE PLACE WHERE THIS AGREEMENT MAY BE EXECUTED BY ANY OF THE PARTIES HERETO, THE PARTIES EXPRESSLY AGREE THAT ALL THE TERMS AND PROVISIONS HEREOF SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE SUBSTANTIVE AND PROCEDURAL LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO SUCH STATE'S PRINCIPLES OF CONFLICTS OF LAW. IN THE EVENT THAT A JUDICIAL PROCEEDING IS NECESSARY, THE SOLE FORUM FOR RESOLVING DISPUTES ARISING OUT OF OR RELATING TO THIS AGREEMENT IS THE STATE AND FEDERAL COURTS SITTING IN THE BOROUGH OF MANHATTAN, COUNTY OF NEW YORK. THE PARTIES HEREBY IRREVOCABLY CONSENT TO THE JURISDICTION OF SUCH COURTS AND AGREE TO SAID VENUE.

6.6 The holding of any provision of this Agreement to be invalid or unenforceable by a court of competent jurisdiction shall not affect any other provision of this Agreement, which shall remain in full force and effect. If any provision of this Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal or incapable of being enforced in whole or in part, such provision shall be interpreted so as to remain enforceable to the maximum extent permissible consistent with applicable law and the remaining conditions and provisions or portions thereof shall nevertheless remain in full force and effect and enforceable to the extent they are valid, legal and enforceable, and no provisions shall be deemed dependent upon any other covenant or provision unless so expressed herein.

6.7 It is agreed that a waiver by either party of a breach of any provision of this Agreement shall not operate, or be construed, as a waiver of any subsequent breach by that same party.

6.8 The parties agree to execute and deliver all such further documents, agreements and instruments and take such other and further action as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

6.9 This Agreement may be executed in two or more counterparts each of which shall be deemed an original, but all of which shall together constitute one and the same instrument.

6.10 Nothing in this Agreement shall create or be deemed to create any rights in any person or entity not a party to this Agreement, except (a) for the holders of Registrable Securities; (b) for the Placement Agents pursuant to Sections 1.6(a), 1.23 and 3.1 hereof, (c) for the indemnified parties (including without limitation the Placement Agents and sub agents, if any) pursuant to Section 5.9 hereof; and (d) that the Placement Agents may rely upon the representations and acknowledgements of the Subscriber in Articles I and VII hereof and the representations and warranties of the Company in Article II hereof.

Remainder of Page Intentionally Left Blank.

VII. CONFIDENTIAL INVESTOR QUESTIONNAIRE

7.1 **ALL INVESTORS - The undersigned represents and warrants as indicated below by the undersigned's mark**:

A. Individual investors: (Please mark one or more of the following statements)

1.____I certify that I am an accredited investor because I have had individual income (exclusive of any income earned by my spouse) of more than $200,000 in each of the most recent two years and I reasonably expect to have an individual income in excess of $200,000 for the current year.

2.____I certify that I am an accredited investor because I have had joint income with my spouse in excess of $300,000 in each of the most recent two years and reasonably expect to have joint income with my spouse in excess of $300,000 for the current year.

3.____I certify that I am an accredited investor because I have an individual net worth, or my spouse and I have a joint net worth, in excess of $1,000,000.

4.____I am a director or executive officer of Coronado Biosciences, Inc.

B. Partnerships, corporations, trusts or other entities: (Please mark one of the following seven statements). The undersigned hereby certifies that it is an accredited investor because it is:

1.____an employee benefit plan whose total assets exceed $5,000,000;

2.____an employee benefit plan whose investments decisions are made by a plan fiduciary which is either a bank, savings and loan association or an insurance company (as defined in Section 3(a) of the Securities Act) or an investment adviser registered as such under the Investment Advisers Act of 1940;

3.____a self-directed employee benefit plan, including an Individual Retirement Account, with investment decisions made solely by persons that are accredited investors;

4.____an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000;

5.____a corporation, partnership, limited liability company, limited liability partnership, other entity or similar business trust, not formed for the specific purpose of acquiring the Series A Stock, with total assets in excess of $5,000,000;

6.____a trust, not formed for the specific purpose of acquiring the Series A Stock, with total assets exceeding $5,000,000, whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in the Series A Stock; or

7.____an entity (including a revocable grantor trust but other than a conventional trust) in which each of the equity owners qualifies as an accredited investor.

7.2 **EUROPEAN ECONOMIC AREA ("EEA") INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

A. Please mark one of the following statements:

either

1._____The undersigned hereby certifies that it is a Qualified Investor for the purposes of Directive 2003/71/EC because it is a person falling within Article 2.1(e)(i), (ii) or (iii) of such directive or a person authorized by a jurisdiction in the EEA to be considered as a qualified investor for the purposes of such directive;

or

2._____The undersigned hereby certifies that it is not a Qualified Investor for the purposes of Directive 2003/71/EC.

B. Please mark one of the following statements.

1._____The undersigned hereby certifies that it is acting on its own account and not for the account of or otherwise on behalf of any person or persons; or

2._____The undersigned is in the United Kingdom and is a Qualified Investor for the purposes of Directive 2003/71/EC and is acting as an agent in the circumstances contemplated in section 86(2) of the United Kingdom Financial Services and Markets Act 2000.

C. Please mark the following statement:

1._____The undersigned hereby certifies that it has not received any recommendation from any Placement Agent nor any person acting on their behalf in relation to the purchase of the Securities.

D. Please mark one of the following statements:

1._____The undersigned hereby certifies that it is not in the United Kingdom.

2._____The undersigned hereby certifies that it is a person falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO").

3._____The undersigned hereby certifies that it is a person falling within Article 49(2)(a) to the (d) of the FPO.

7.3 **ALL INVESTORS - The undersigned further represents and warrants as indicated below by the undersigned's mark**:

FINRA AFFILIATION.

Are you affiliated or associated with an FINRA member firm:

Yes _____ No _____

If Yes, please describe:

* If subscriber is a Registered Representative with an FINRA member firm, have the following acknowledgment signed by the appropriate party:

The undersigned FINRA member firm acknowledges receipt of the notice required by NASD Rule 3050.

_____
Name of FINRA Member Firm

By: _____
Authorized Officer

Date: _____

7.4 **ALL INVESTORS - Indicate manner in which title is to be held** (circle one)

(a) Individual Ownership
(b) Community Property
(c) Joint Tenant with Right of Survivorship (both parties must sign)
(d) Partnership
(e) Tenants in Common
(f) Corporation
(g) Limited Liability Company
(h) Trust
(i) Other

7.5 **ALL INVESTORS - Please answer each question**.

SUITABILITY

(a) For an individual Subscriber, please describe your current employment, including the company by which you are employed and its principal business:

(b) For an individual Subscriber, please describe any college or graduate degrees held by you:

(c) For all Subscribers, please list types of prior investments:

(d) For all Subscribers, please state whether you have you participated in other private placements before:

YES_____ NO_____

(e) If your answer to question 7.2(d) above was "YES", please indicate frequency of such prior participation in private placements of:

	Public Companies	Private Companies	Public or Private Biopharmaceutical Companies
Frequently			
Occasionally			
Never			

(f) For individual Subscribers, do you expect your current level of income to significantly decrease in the foreseeable future:

YES_____ NO_____

(g) For trust, corporate, partnership and other institutional Subscribers, do you expect your total assets to significantly decrease in the foreseeable future:

YES_____ NO_____

(h) For all Subscribers, do you have any other investments or contingent liabilities which you reasonably anticipate could cause you to need sudden cash requirements in excess of cash readily available to you:

YES_____ NO_____

(i) For all Subscribers, are you familiar with the risk aspects and the non-liquidity of investments such as the securities for which you seek to subscribe?

YES_____ NO_____

(j) For all Subscribers, do you understand that there is no guarantee of financial return on this investment and that you run the risk of losing your entire investment?

YES_____ NO_____

7.6 The undersigned is informed of the significance to the Company of the foregoing representations and answers contained in the Confidential Investor Questionnaire contained in this Article VII and such answers have been provided under the assumption that the Company will rely on them.

Signature: _____

_____
(If purchased jointly)

Print Name: _____

_____
(If purchased jointly)

Date: _____

AGGREGATE SUBSCRIPTION AMOUNT: $____

NUMBER OF SHARES (at $8.39 per share):_____

Signature	Signature (if purchasing jointly)
Name Typed or Printed	Name Typed or Printed
Entity Name	Entity Name
Address	Address
City, State and Zip Code	City, State and Zip Code
Telephone-Business	Telephone-Business
Telephone-Residence	Telephone-Residence
Facsimile-Business	Facsimile-Business
Facsimile-Residence	Facsimile-Residence
Tax ID # or Social Security #	Tax ID # or Social Security #
Email Address	Email Address
Name in which securities should be issued:	

Dated: _____, 2010

This Subscription Agreement is agreed to and accepted as of _____, 2010.

Coronado Biosciences, Inc.

By: _____
Name: Raymond J. Tesi, M.D.
Title: President and Chief Executive Office

CERTIFICATE OF SIGNATORY

(To be completed if Securities are
being subscribed for by an entity)

I, _____, am the _____ of _____ (the "Entity").

I certify that I am empowered and duly authorized by the Entity to execute and carry out the terms of the Subscription Agreement and to purchase and hold the Securities, and certify further that the Subscription Agreement has been duly and validly executed on behalf of the Entity and constitutes a legal and binding obligation of the Entity.

IN WITNESS WHEREOF, I have set my hand this __ day of _____, ____

_____

(Signature)

Exhibit 10.5

Subscription Agreement

SUBSCRIPTION AGREEMENT

Coronado Biosciences, Inc.
45 Rockefeller Plaza, Suite 2000
New York NY 10111
Attn: Bobby W. Sandage, Jr., Ph.D., CEO

Ladies and Gentlemen:

1. **Subscription.** The undersigned (the "**Purchaser**"), intending to be legally bound, hereby irrevocably agrees to purchase from Coronado Biosciences, Inc., a Delaware corporation (the "**Company**"), the number of shares of Series C preferred stock par value $0.001 per share (the "**Securities**" or "**Series C Preferred**") of the Company set forth on the signature page hereof at a purchase price of $5.59 per Share. This subscription is submitted to you in accordance with and subject to the terms and conditions described in this Subscription Agreement and the Confidential Offering Memorandum, dated May 23, 2011, as may amended or supplemented from time to time, including all attachments, schedules and exhibits thereto (the "**Memorandum**," and, together with this Subscription Agreement, the "**Offering Documents**") and relating to the offering (the "**Offering**") by the Company of a minimum of $2,000,000 (the "**Minimum Offering**") and a maximum of $10,000,000) (the "**Maximum Offering**") of Securities, with the right at the sole discretion of the Company and the Placement Agent to increase the maximum by an additional $12,000,000 of Securities. The Securities are being offered on an exclusive basis through National Securities Corporation (the "**Placement Agent**"). The minimum subscription for a Purchaser in the Offering is $50,000; *provided*, *however*, that Placement Agent and the Company, in their sole discretion, may waive such minimum subscription requirement from time to time.

2. **Payment.** The Purchaser encloses herewith a check payable to, or will immediately make a wire transfer payment to **"**Signature Bank**,** Escrow Agent for Coronado Biosciences, Inc." in the full amount of the purchase price of the Securities being subscribed for. 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 or the Offering is terminated pursuant to its terms or by the Company or the Placement Agent. Together with a check for, or wire transfer of, the full purchase price, the Purchaser is delivering (i) a completed and executed Signature Page to this Subscription Agreement and (ii) an Investor Questionnaire and Investor Profile, which is annexed hereto.

3. **Deposit of Funds.** All payments made as provided in Section 2 hereof shall be deposited by the Company or the Placement Agent as soon as practicable with the Escrow Agent, in a non-interest-bearing escrow account (the "**Escrow Account**") until the earliest to occur of (a) the occurrence of a closing, the first of which shall not occur until at least $2,000,000 of Securities are sold (the "**First Closing**"), (b) the rejection of such subscription, or (c) the termination of the Offering by the Company or the Placement Agent. The Company and the Placement Agent may continue to offer and sell the Securities and conduct additional closings (each, a "**Closing**") for the sale of additional Securities after the First Closing and until the termination of the Offering. In the event that the Company does not effect a Closing, on or before June 30, 2011 (the "**Initial Offering Period**"), which period may be extended by the Company and the Placement Agent, in their mutual discretion to a date no later than August 31, 2011 (the "**Termination Date**", with this additional period, together with the Initial Offering Period, being referred to herein as the "**Offering Period**"), the Company will refund all subscription funds, without deduction and/or interest accrued thereon, and will return the subscription documents to each Purchaser. If the Company and/or the Placement Agent rejects a subscription, either in whole or in part (which decision is
in their sole discretion), the rejected subscription funds or the rejected portion thereof will be returned promptly to such Purchaser without interest accrued thereon.

4. **Acceptance of Subscription.** The Purchaser understands and agrees that the Company and the Placement Agent, in their discretion reserve the right to accept or reject this or any other subscription for Securities, in whole or in part, notwithstanding prior receipt by the Purchaser of notice of acceptance of this or any other subscription. The Company shall have no obligation hereunder until the Company shall execute and deliver to the Placement Agent (on behalf of the Purchaser) an executed copy of this Subscription Agreement. If this subscription is rejected in whole, or the Offering is terminated, all funds received from the Purchaser will be returned without interest, penalty, expense or deduction, 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, penalty, expense or deduction, and this Subscription Agreement will continue in full force and effect to the extent this subscription was accepted.

5. **Representations and Warranties of the Purchaser.** The Purchaser hereby acknowledges, represents, warrants, and agrees as follows:

(a) None of the Securities offered pursuant to the Offering Documents 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 Securities contemplated hereby is intended to be exempt from registration under the Securities Act, by virtue of Section 4(2) thereof and the provisions of Regulation D promulgated thereunder, based, in part, upon the truth and accuracy of, and compliance with, representations, warranties and agreements of the Purchaser contained in this Subscription Agreement;

(b) The Purchaser and the Purchaser's attorney, accountant, purchaser representative and/or tax advisor, if any (collectively, the "**Advisors**"), acknowledges that it has received the Offering Documents, either in hard copy or electronically, and all other documents requested by the Purchaser, has carefully reviewed them and understands the information contained therein, and the Purchaser and the Advisors, if any, prior to the execution of this Subscription Agreement, have had access to the same kind of information as would be available in a registration statement filed by the Company under the Securities Act. Purchaser's decision to enter into this Subscription Agreement and the other Transaction Documents (as defined herein) has been made based solely on the independent evaluation of the Purchaser and its Advisors, if any;

(c) Neither the Securities and Exchange Commission (the "**SEC**") nor any state securities commission or other regulatory body has approved the Securities or passed upon or endorsed the merits of the Offering or confirmed the accuracy or determined the adequacy of the Offering Documents. Any representation to the contrary is a criminal offense. The Offering Documents have not been reviewed by any federal, state or other regulatory authority. The Securities, and the shares of common stock issuable upon conversion of the Series C Preferred (the "**Conversion Shares**") are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act, and the applicable state securities laws, pursuant to registration or exemption therefrom;

(d) All documents, records, and books pertaining to the investment in the Securities (including, without limitation, the Offering Documents) have been made available, subject to certain confidentiality restrictions, for inspection by the Purchaser and its Advisors, if any;

(e) The Purchaser and its Advisors, 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 Securities and the business, financial condition, and results of operations of the Company, and all such questions have been answered by representatives of the Company to the full satisfaction of the Purchaser and its Advisors, if any;

(f) In evaluating the suitability of an investment in the Company, the Purchaser has not relied upon any representation or other information (oral or written) other than as stated in the Offering Documents or as contained in documents so furnished to the Purchaser or its Advisors, if any, by the Company or the Placement Agent;

(g) The Purchaser is unaware of, is in no way relying on, and did not become aware of the Offering directly or indirectly through or as a result of, any form of general solicitation or general advertising including, without limitation, any press release, filing with the SEC, article, notice, advertisement or other communication published in any newspaper, magazine or similar media or broadcast over television, radio or the internet and is not subscribing for Securities and did not become aware of the Offering 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 which would give rise to any claim by any person for brokerage commissions, finder' fees or the like relating to this Subscription Agreement or the transactions contemplated hereby (other than commissions and other compensation to be paid by the Company to the Placement Agent or as otherwise described in the Offering Documents);

(i) The Purchaser's decision to enter into this Subscription Agreement has been made based solely on the independent evaluation of the Purchaser and its own Advisors, if any, and the Purchaser, either alone or together with its Advisors, 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 Securities and the Company and to make an informed investment decision with respect thereto;

(j) The Purchaser is not relying on the Company, 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 Securities, and the Purchaser has relied on the advice of, or has consulted with, only its own Advisors, if any;

(k) The Purchaser is neither a registered representative under the Financial Industry Regulatory Authority ("**FINRA**"), a member of FINRA or associated or affiliated with any member of FINRA, nor a broker-dealer registered with the SEC under the Exchange Act or engaged in a business that would require it to be so registered, nor is it an affiliate of a such a broker-dealer or any person engaged in a business that would require it to be registered as a broker-dealer. In the event such Purchaser is a member of FINRA, or associated or affiliated with a member of FINRA, such Purchaser agrees, if requested by FINRA, to sign a lock-up, the form of which shall be satisfactory to FINRA with respect to the Securities. Furthermore, the Purchaser is not an underwriter of the Securities, nor is it an affiliate of an underwriter of the Securities.

(l) The Purchaser is acquiring the Securities 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 Securities, and the Purchaser has no plans to enter into any such agreement or arrangement;

(m) The purchase of the Securities represents a high risk capital investment and the Purchaser is able to afford an investment in a speculative venture having the risks and objectives of the Company and is in a position to sustain a loss of their entire investment. The Purchaser must bear the substantial economic risks of the investment in the Securities indefinitely because none of the Securities or the Conversion Shares 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 and the Conversion Shares 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 books. Stop transfer instructions will be placed with the transfer agent of the Securities, if any, or with the Company. There can be no assurance that there will be any market for resale of the Series C Preferred or the Conversion Shares. The Company has agreed that purchasers of the Securities will have, with respect to the Conversion Shares, the registration rights described herein;

(n) The Purchaser has adequate means of providing for such Purchaser's current financial needs and foreseeable contingencies and has no need for liquidity of its investment in the Securities for an indefinite period of time;

(o) The Purchaser is aware that an investment in the Securities involves a number of very significant risks and has carefully read and considered the matters set forth under the caption "Risk Factors" in the Offering Documents, and, in particular, acknowledges that the Company has a limited operating history and limited assets, the Company has not had any revenues from product sales to date, the Company has incurred loses since its inception, and the Company is engaged in a highly competitive business;

(p) 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 under the Securities Act, and has truthfully and accurately completed the Investor Questionnaire attached hereto;

(q) 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 Securities, 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 any law applicable to it 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 and the Securities, 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;

(r) The Purchaser and the Advisors, if any, have had the opportunity to obtain any additional information, to the extent the Company had 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 Offering Documents and all documents received or reviewed in connection with the purchase of the Securities and have had the opportunity to have representatives of the Company provide them with such additional information regarding the terms and conditions of this particular investment and the financial condition, results of operations, business and prospects of the Company deemed relevant by the Purchaser or the Advisors, if any, and all such requested information, to the extent the Company had such information in its possession or could acquire it without unreasonable effort or expense, has been provided by the Company to the full satisfaction of the Purchaser and the Advisors, if any;

(s) Any information which the Purchaser has heretofore furnished or is furnishing herewith to the Company or the Placement Agent is complete and accurate and may be relied upon by the Company and the Placement Agent in determining the availability of an exemption from registration under Federal and state securities laws in connection with the Offering. The Purchaser further represents and warrants that it will notify and supply corrective information to the Company and the Placement Agent immediately upon the occurrence of any change therein occurring prior to the Company's issuance of the securities underlying the Securities;

(t) The Purchaser has significant prior investment experience, including investments in high risk securities. The Purchaser is knowledgeable about investments in small and thinly capitalized, development stage companies. 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 Securities will not cause such commitment to become excessive. The investment is a suitable one for the Purchaser;

(u) The Purchaser is satisfied that it has received adequate information with respect to all matters which it or the Advisors, if any, consider material to its decision to make this investment;

(v) The Purchaser acknowledges that any estimates or forward-looking statements or projections included in the Offering Documents were prepared by the Company in good faith but that the attainment of any such projections, estimates or forward-looking statements cannot be guaranteed and will not be updated by the Company and should not be relied upon;

(w) No oral or written representations have been made, or oral or written information furnished, to the Purchaser or its Advisors, if any, in connection with the Offering which are in any way inconsistent with the information contained in the Offering Documents;

(x) Within five (5) business days after receipt of a request from the Company 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 or the Placement Agent is subject;

(y) The Purchaser's substantive relationship with the Company, the Placement Agent or subagent through which the Purchaser is subscribing for Securities predates the Company's, Placement Agent's or such subagent's contact with the Purchaser regarding an investment in the Securities;

(z) THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF ANY STATES 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 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 OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL;

(aa) The Purchaser understands that affiliates and/or employees of the Placement Agent (i) will receive the compensation set forth elsewhere in the Offering Documents in connection with the Offering, and (ii) may, but are not obligated to, purchase Securities in the Offering and any and all such Securities purchased shall be counted toward the Minimum Offering and the Maximum Offering.

(bb) **(For ERISA plans only)** The fiduciary of the ERISA 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;

(cc) **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[1] or entities in certain countries regardless of whether such individuals or entities appear on the OFAC lists;

(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 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

[1] These individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs.

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;

(ee) 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[2], or any immediate family[3] member or close associate[4] of a senior foreign political figure, as such terms are defined in the footnotes below; and

(ff) 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.

(gg) The Purchaser understands, acknowledges, covenants and agrees that until the time immediately prior to the declaration or ordering of effectiveness of a Form S-1 (as defined in the Memorandum) by the SEC neither the Purchaser nor any of its affiliates nor any entity managed or controlled by the Purchaser will ever (i) enter into or execute or cause any person or entity to enter into or execute any "short sale" (as such term is defined in Rule 200 of Regulation SHO or any successor regulation promulgated by the SEC under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) of Series C Preferred, Common Stock or any other equity securities of the Company or (ii) engage, through related parties or otherwise, in any derivative or hedging transaction directly related to the Company's equity securities (including, without limitation, the purchase of any option or contract to sell). Further, Purchaser agrees that, upon the reasonable request of the Company, Purchaser will, and it will use its best efforts to cause its affiliates or any entity managed or controlled by the Purchaser to, verify in writing to the Company that it has not engaged in any such short sale, derivative hedging transaction directly related to such securities.

[2] 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.

[3] "Immediate family" of a senior foreign political figure typically includes the figure's parents, siblings, spouse, children and in-laws.

[4] 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.

6. **Representations, Warranties and Covenants of the Company.** The Company hereby represents, warrants, acknowledges and agrees as follows:

(a) Organization, Good Standing and Qualification. (a) The Company is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, with full power and authority to own, lease, use and operate its properties and to carry on its business as and where now owned, leased, used, operated and conducted. The Company has no subsidiaries. The Company is duly qualified as a foreign corporation to do business and is in good standing in every jurisdiction in which its ownership or use of property or the nature of the business conducted by it makes such qualification necessary except where the failure to be so qualified or in good standing would not have a material adverse effect on (i) the assets, liabilities, results of operations, condition (financial or otherwise), business, or prospects of the Company or (ii) the ability of the Company to perform its obligations under the Transaction Documents (as defined below) (a "Material Adverse Effect").

(b) Authorization; Enforceability. The Company has all corporate power and authority to (i) enter into and perform its obligations under this Agreement and the other agreements contemplated hereby (this Agreement and the other agreements contemplated hereby, are collectively referred to herein as the "**Transaction Documents**"), (ii) issue, sell and deliver the Securities and (iii) issue, sell and deliver the Conversion Shares. The execution and delivery of this Agreement and the other Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, have been duly authorized by the Company's Board of Directors. This Agreement has been duly authorized, executed and delivered and constitutes, and each of the other Transaction Documents, upon due execution and delivery, will constitute, valid and binding obligations of the Company, enforceable against the Company 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 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).

(c) Capitalization and Voting Rights. The authorized, issued and outstanding capital stock of the Company is as set forth in the Memorandum and all issued and outstanding shares of the Company are validly issued, fully paid and nonassessable. Except as set forth in the Memorandum, there are no outstanding options, warrants, agreements, convertible securities, preemptive rights or other rights to subscribe for or to purchase any shares of capital stock of the Company. Except as set forth in the Offering Documents and as otherwise required by law, there are no restrictions upon the voting or transfer of any of the shares of capital stock of the Company pursuant to the Company's certificate of incorporation, bylaws or any agreement or other instruments to which the Company is a party or by which the Company is bound.

(d) Disclosure. The information set forth in the Offering Documents as of the date thereof contains no untrue statement of a material fact nor omits to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

(e) Form 10 Registration Statement. The Coronado has agreed to use its commercially reasonable efforts to file a Form 10 registration statement within sixty (60) days following the Final Closing (the "Filing Date"). In the event that the Form 10 is not filed by the Filing Date, the Company will incur monthly liquidated damages, payable to Investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Securities until the Form 10 is filed (but in no event will the maximum aggregate liquidated damages payable exceed ten (10%) percent).

7. **Registration Rights**. Purchaser shall have the registration rights described below.

(a) Definitions. As used in the Subscription Agreement, the following terms shall have the following meanings.

(1) The term "Holder" shall mean any holder of Registrable Securities.

(2) The term "Other Registrable Securities" shall mean shares of Common Stock other than the Registrable Securities that have registration rights senior to, or pari passu with, the Registrable Securities.

(3) The term "Public Date" shall mean the first day that shares of the Company's capital stock are registered pursuant to Section 12 of the Exchange Act

(4) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(5) The term "Registrable Securities" shall mean (i) the shares of Common Stock issuable upon conversion of the Series C Preferred (or any successor security) sold in the Offering; and (ii) any shares of Common Stock issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 7(k); and (D) may not be disposed of under Rule 144 under the Securities Act without restriction.

(6) The term "Trading Event" means the first date on which the Company's common stock trades on a national securities exchange or the OTCQX, the OTCBB, or any other market quoted by the Pink Sheets LLC, OTC Markets (or any successors to any of the foregoing).

(b) Piggyback Registration.

(1) The Company agrees that if, at any time, and from time to time, after the earlier to occur of (i) an initial public offering of the Company's equity securities ("IPO") and (ii) a Trading Event, the Board of Directors of the Company (the "Board") shall authorize the filing of a registration statement under the Securities Act (other than the IPO or a registration statement on Form S-8, Form S-4 or any other form that does not include substantially the same information as would be required in a form for the general registration of securities) in connection with the proposed offer of any of its securities by it or any of its stockholders, the Company shall: (A) promptly notify each Holder that such registration statement will be filed and that the Registrable Securities then held by such Holder will be included in

such registration statement at such Holder's request; (B) cause such registration statement to cover all of such Registrable Securities issued to such Holder for which such Holder requests inclusion; (C) use reasonable best efforts to cause such registration statement to become effective as soon as practicable; and (D) take all other reasonable action necessary under any Federal or state law or regulation of any governmental authority to permit all such Registrable Securities that have been issued to such Holder to be sold or otherwise disposed of, and will maintain such compliance with each such Federal and state law and regulation of any governmental authority for the period necessary for such Holder to promptly effect the proposed sale or other disposition.

(2) Notwithstanding any other provision of this Section 7(b), the Company may at any time, abandon or delay any registration commenced by the Company. In the event of such an abandonment by the Company, the Company shall not be required to continue registration of shares requested by the Holder for inclusion, the Holder shall retain the right to request inclusion of shares as set forth above and the withdrawn registration shall not be deemed to be a registration request for the purposes of Section 7(b)(3) below.

(3) Each Holder shall have the right to request inclusion of any of its Registrable Securities in a registration statement as described in this Section 7(b) up to two times.

(c) Automatic Registration rights.

(1) In addition to the registration rights set out above, within 60 days of the Public Date, the Company shall file a resale registration statement covering the resale of the common stock issuable upon conversion of the Series C Preferred (or less than all, if the Company is limited in the number of shares that it can include on such resale registration statement by regulation or the requirements of any exchange), and use its commercially reasonable efforts to have the registration statement declared effective within 120 days after the Public Date. In the event that the registration statement is not filed within 60 days of the Public Date, the Company will incur monthly liquidated damages, payable to Investors in cash, in an amount equal to one (1.0%) percent of the purchase price of the Series C Preferred until the registration statement is filed (but in no event will the maximum aggregate liquidated damages payable exceed ten (10%) percent).

(d) Demand Registration.

(1) Registration on Request.

(i) The Company agrees that if, at any time, and from time to time, but at least 180 days after the earlier of (i) the effective date of an initial offering of Coronado's equity securities pursuant to an effective registration statement and (ii) a Trading Event, Holders of a majority of the Registrable Securities may make a written request that the Company effect the registration under the Securities Act of outstanding Registrable Securities; provided that such requested registration would cover at least 51% of the Registrable Securities owned by all the Holders at such time; and provided, further, that the Holders shall be entitled to no more than one such demand registration.

(ii) The Company further agrees that if, at any time, and from time to time, after the Company has qualified for the use of Form S-3 or any successor form, and ending on the date that is five years from the final Closing, one or more of the Holders desire to effect the registration under the Securities Act on Form S-3 or any successor form ("Short-Form Registration") of outstanding Registrable Securities, such Holder(s) may make a written request that the Company effect a Short-Form Registration; provided that the aggregate price to the public of the shares as to which such registration is requested (based on the then current market price and before deducting underwriting discounts and

commissions) would equal or exceed $5,000,000. It is understood and agreed that the Holders may make good faith requests for Short-Form Registrations on an unlimited number of occasions; provided further, that the Company shall not be required to effect more than one Short Form Registration in any 12 month period.

(iii) Each request made by one or more of the Holders pursuant to subsections (i) or (ii) above (the "Initiating Holders") will specify the number of shares of Registrable Securities proposed to be sold and will also specify the intended method of disposition thereof. Following receipt of any such request, the Company shall promptly notify all Holders other than the Initiating Holders of receipt of such request and the Company shall use best efforts to file, within 60 days of such request, the registration under the Securities Act of the Registrable Securities which the Company has been so requested to register in the request by the Initiating Holders (and in all notices received by the Company from such other Holders within 30 days after the giving of such notice by the Company), to the extent necessary to permit the disposition (in accordance with the intended methods thereof as aforesaid) of the Registrable Securities to be registered. If such method of disposition shall be an underwritten public offering, the Holders of a majority of the shares of Registrable Securities to be sold in such offering may designate the managing underwriter of such offering, subject to the approval of the Company, which approval shall not be unreasonably withheld or delayed. The Holders will be permitted to withdraw Registrable Securities from a registration at any time prior to the effective date of such registration; provided the remaining number of shares of Registrable Securities subject to a requested registration is not less than the minimum amount required pursuant to this Section 5.3.

(2) Limitations on Demand Registration. Notwithstanding Section 7(d)(1),

(i) the Company shall not be obligated to file a registration statement relating to a registration request pursuant to this Section 7(d) at any time during the 90-day period immediately following the effective date of a registration statement filed by the Company covering a firm commitment underwritten public offering of securities of the Company; and if the Board determines, in its good faith judgment, that the Company (i) should not file any registration statement otherwise required to be filed pursuant to Section 7(d) or (ii) should withdraw any such previously filed registration statement because the Board determines, in its good faith judgment, that the Company is in the possession of material nonpublic information required to be disclosed in such registration statement or an amendment or supplement thereto, the disclosure of which in such registration statement would be materially disadvantageous to the Company (a "Disadvantageous Condition"), the Company shall be entitled to postpone for the shortest reasonable period of time (but not exceeding 45 days from the date of the determination), the filing of such registration statement or, if such registration statement has already been filed, may suspend or withdraw such registration statement and shall promptly give the Holders written notice of such determination, containing a general statement of the reasons for such postponement and an approximation of the anticipated delay. If the Company shall so postpone the filing or effect the suspension or the withdrawal of the registration statement, the Holders who made the request for registration shall have the right to withdraw the request for registration by giving written notice to the Company within 30 days after receipt of the notice of postponement. Upon the receipt of any such notice, such Holders shall forthwith discontinue use of the prospectus contained in such registration statement and, if so directed by the Company, shall deliver to the Company all copies of the prospectus then covering such Registrable Securities current at the time of receipt of such notice (or, if no registration statement has yet been filed, all drafts of the prospectus covering such Registrable Securities). If any Disadvantageous Condition shall cease to exist, the Company shall promptly notify the Holders to such effect. If any registration statement shall have been withdrawn, the Company shall, at such time as it is possible or, if earlier, at the end of the 45-day period following such withdrawal, file a new registration statement covering the Registrable Securities that were covered by such withdrawn registration statement, and the effectiveness of such registration statement shall be maintained for such time as may be necessary

so that the period of effectiveness of such new registration statement, when aggregated with the period during which such withdrawn registration statement was effective, if any, shall be such time as may be otherwise required by the Subscription Agreement. The Company's right to delay a request for registration or to withdraw a registration statement pursuant to this Section 7(d) may not be exercised more than once in any one-year period.

(e) Registration Procedures. Whenever required under this Section 7 to include Registrable Securities in a Company registration statement, the Company shall, as expeditiously as reasonably possible:

(1) Use best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective until the earliest to occur of (A) such date as the Holders selling Registrable Securities have completed the distribution described in the registration statement and (B) such time that all of such Registrable Securities are no longer, by reason of Rule 144 under the Act, required to be registered for the sale thereof by such Holders. The Company will also use its best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; provided, however, that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) and (ii) above to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Exchange Act in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any selling Holder, subject to Section 7(f), (i) as expeditiously as reasonably possible, use best efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 7(e) which may applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(2) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(3) Make available for inspection upon reasonable notice during the Company's regular business hours by each selling Holder, any underwriter participating in any distribution pursuant to such registration statement, and any attorney, accountant or other agent retained by such selling Holder or underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors and employees to supply all information reasonably requested by any such selling Holder, underwriter, attorney, accountant or agent in connection with such registration statement.

(4) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(5) Use best efforts to register and qualify the securities covered by such registration statement under such other federal or state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(6) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(7) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(8) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the OTCBB.

(9) Provide a transfer agent and registrar for all Registrable Securities registered pursuant hereunder and CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(10) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

(e) Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Section 7 with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

(f) Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Section 7 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto and fees and expenses of one counsel to the Holders to be designated by the Placement Agent (not to exceed $10,000) ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors (in excess of $10,000) to any of the Holders.

(g) Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, the Company shall not be required under Section 7(b) to include any of the Holders' Registrable Securities in such underwriting unless they accept the terms of the underwriting as agreed upon between the Company and the underwriters selected by it (or by other persons entitled to select the underwriters), and then only in such quantity as the underwriters determine in their sole discretion will not jeopardize the success of the offering by the Company. If the total amount of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the amount of securities sold other than by the Company that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder", and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder", as defined in this sentence.

(h) Rule 415 Requirements. Notwithstanding the registration obligations set forth in this Section 7, in the event the SEC informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale on a single registration statement, the Company agrees to promptly (i) inform each of the Holders thereof, (ii) use its commercially reasonable efforts to file amendments to the registration statement as required by the SEC and/or (iii) withdraw the registration statement and file a new registration statement (a "New Registration Statement"), in either case covering the maximum number of Registrable Securities permitted to be registered by the SEC, on Form S-1 or such other form available to register for resale the Registrable Securities as a secondary offering; *provided, however*, that prior to filing such amendment or New Registration Statement, the Company shall be obligated to use its commercially reasonable efforts to advocate with the SEC for the registration of all of the Registrable Securities in accordance with the SEC guidance, including without limitation, the Manual of Publicly Available Telephone Interpretations D.29. In the event the Company amends the registration statement or files a New Registration Statement, as the case may be, under clauses (ii) or (iii) above, the Company will use its commercially reasonable efforts to file with the SEC, as promptly as allowed by the SEC or by SEC guidance provided to the Company or to registrants of securities in general, one or more registration statements on Form S-1 or such other form available to register for resale those Registrable Securities that were not registered for resale on the registration statement, as amended, or the New Registration Statement. The foregoing notwithstanding, if the Company is required to limit the number of shares that it can include on such resale registration statement or New Registration Statement by regulation or the requirements of the SEC or any exchange, then,

notwithstanding any other registration rights of the Holder, the number of Registrable Securities to be included on such registration statement and New Registration Statement shall be allocated to the Holders and the holders of Other Registrable Securities on a *pro rata* basis based on the number of Registrable Securities and Other Registrable Securities held by such holders.

(i) Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 7.

(j) Indemnification. In the event that any Registrable Securities are included in a registration statement under this Section 7:

(1) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 7(j)(1) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of the Subscription Agreement by a Holder.

(2) To the extent permitted by law, each Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of the Subscription Agreement by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 7(j)(2), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 7(j)(2) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 7(j)(2) exceed the greater of the cash value of the (i) gross proceeds from the offering received by such Holder or (ii) such Holder's investment pursuant to this Subscription Agreement as set forth on the signature page attached hereto.

(3) Promptly after receipt by an indemnified party under this Section 7(j) of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 7(j), deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 7(i), but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 7(j).

(4) If the indemnification provided for in this Section 7 is held by a court of competent jurisdiction to be unavailable to an indemnified party with respect to any loss, liability, claim, damage, or expense referred to therein, then the indemnifying party, in lieu of indemnifying such indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission.

(5) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(6) The obligations of the Company and Holders under this Section 7(j) shall survive the completion of any offering of Registrable Securities in a registration statement under this Section 7, and otherwise.

(k) Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(1) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(2) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(3) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

(l) Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Section 7 may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such Holder gives prior written notice to the Company; (b) such transferee agrees to comply with the terms and provisions of the Subscription Agreement; (c) such transfer is otherwise in compliance with the Subscription Agreement, (d) such transfer is otherwise effected in accordance with applicable securities laws and (e) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 7(l), the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other person, and any attempted transfer shall cause all rights of such Holder therein to be forfeited.

(m) Termination of Registration Rights The right of any Holder to request or demand inclusion in any registration pursuant to Sections 7(b) or 7(d) shall terminate at such time as all shares of Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction.

8. **Indemnification.** The Purchaser agrees to indemnify and hold harmless the Company, the Placement Agent, and their respective officers, directors, employees, agents, attorneys, 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.** Any of the terms or provisions of this Subscription Agreement shall not be modified or waived except by an instrument in writing signed by (a) the Company, (b) the Placement Agent and (c) the holders of at least a majority of the then outstanding Securities issued in the Offering (including shares of the Company's common stock issued upon conversion of the Securities issued the Offering), as measured at the time of such modification or waiver. Notwithstanding the foregoing, no provision of this agreement may be modified or waived in a manner that adversely affects the specific rights or obligations of a party hereunder in a manner different than such modification or waiver affects all other similarly situated parties without the written consent of such adversely affected party. Any

modification or waiver effected in accordance with the provisions of this Section 10 shall be binding on all parties hereto and each party's respective successors and permitted assigns, whether or not such party, successor or assignee executed such modification or waiver.

11. **Immaterial Modifications to the Transaction Documents.** The Company may, at any time prior to the First Closing, amend the Transaction Documents if necessary to clarify any provision therein, without first providing notice or obtaining prior consent of the Purchaser, 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, 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 13). 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 Securities shall be made only in accordance with all applicable laws.

14. **Applicable Law.** This Subscription Agreement shall be governed by and construed under the laws of the State of New York as applied to agreements among New York residents entered into and to be performed entirely within New York. Each of the parties hereto (1) agree that any legal suit, action or proceeding arising out of or relating to the Subscription Agreement shall be instituted exclusively in the state or federal courts located in New York County, New York, (2) waive any objection which they may have now or hereafter to the venue of any such suit, action or proceeding, and (3) irrevocably consent to the jurisdiction of such courts in any such suit, action or proceeding. Each of the parties hereto further agrees to accept and acknowledge service of any and all process which may be served in any such suit, action or proceeding in such courts and agree that service of process upon it mailed by certified mail to its address shall be deemed in every respect effective service of process upon it, in any such suit, action or proceeding. THE PARTIES HERETO AGREE TO WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS SUBSCRIPTION AGREEMENT OR ANY DOCUMENT OR AGREEMENT CONTEMPLATED HEREBY.

15. **Blue Sky Qualification.** The purchase of Securities under this Subscription Agreement is expressly conditioned upon the exemption from qualification of the offer and sale of the Securities 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.

16. **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.

17. **Confidentiality.** The Purchaser acknowledges and agrees that any information or data the Purchaser has acquired from or about the Company, not otherwise properly in the public domain, was received in confidence (the "Confidential Information"). Any distribution of the Confidential Information to any person other than the Purchaser named above, in whole or in part, or the reproduction of the

Confidential Information, or the divulgence of any of its contents (other than to the Purchaser's tax and financial advisers, attorneys and accountants, who will likewise be required to maintain the confidentiality of the Confidential Information) is unauthorized, except that any Purchaser (and each employee, representative, or other agent of such Purchaser) may disclose to any and all persons, without limitations of any kind (except as provided in the next sentence) the tax treatment and tax structure of the transaction and all materials of any kind (including opinions or other tax analyses) that are provided to the Purchaser relating to such tax treatment and tax structure. Any such disclosure of the tax treatment, tax structure and other tax-related materials shall not be made for the purpose of offering to sell the Securities offered hereby or soliciting an offer to purchase any such securities. Except as provided above with respect to tax matters, the above named Purchaser agrees not to divulge, communicate or disclose, except as may be required by law or for the performance of this Subscription Agreement, or use to the detriment of the Company or for the benefit of any other person or persons, or misuse in any way, any Confidential Information of the Company, including any scientific, technical, trade or business secrets of the Company and any scientific, technical, trade or business materials that are treated by the Company as confidential or proprietary, including, but not limited to, ideas, discoveries, inventions, developments and improvements belonging to the Company and confidential information obtained by or given to the Company about or belonging to third parties.

18. **Miscellaneous.**

(a) The Offering Documents, together with the Transaction Documents, 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.

(b) The representations and warranties of the Company made in this Subscription Agreement shall survive the execution and delivery hereof and delivery of the Securities hereunder for a period of twelve (12) months from the date of issuance. The representations and warranties of the Purchaser made in this Subscription Agreement shall survive the execution and delivery hereof and delivery of the Securities hereunder indefinitely.

(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 the Offering.

To subscribe for Securities in the private offering of

Coronado Biosciences, Inc.

1. **Date and Fill** in the number of Securities being purchased and **Complete and Sign** the Subscription Agreement.
2. **Initial** the Accredited Investor Certification page attached to this Subscription Agreement.
3. **Complete** and return the Investor Profile and, if applicable, Wire Transfer Authorization attached to this letter.
4. **Fax** all forms to Jonathan C. Rich at **(212) 380-2828** and then send all signed original documents with check to:

   National Securities Corporation
   330 Madison Avenue, 18th Floor
   New York, NY 10017
   Attn: Jonathan C. Rich
   Tel: (212) 380-2819

5. Please make your subscription payment payable to the order of **"Signature Bank, Escrow Agent for Coronado Biosciences, Inc."**

For wiring funds directly to the escrow account, see the following instructions:

Name:	**Signature Bank**
ABA Number:	**026013576**
SWIFT Code:	**SIGNUS33**
A/C Name:	**Signature Bank, as Agent for** **Coronado Biosciences, Inc.** **261 Madison Avenue, New York, New York 10016**
A/C Number:	**1501646462**
FBO:	**Investor Name:** _____ **Social Security Number:** _____ **Address:** _____ _____

Questions regarding completion of the subscription documents should be directed to Mr. Jonathan C. Rich at (212) 380-2841.

ANTI MONEY LAUNDERING REQUIREMENTS

The USA PATRIOT Act

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.

To help you understand these efforts, the Placement Agent wants to provide you with some information about money laundering and its steps to implement the USA PATRIOT Act.

What is money laundering?

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.

How big is the problem and why is it important?

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.

What is the Placement Agent required to do to eliminate money laundering?

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.

As part of its required program, the Placement Agent may ask you to provide various identification documents or other information. Until you provide the information or documents the Placement Agent needs, we may not be able to effect any transactions for you.

CORONADO BIOSCIENCES, INC.
SIGNATURE PAGE TO THE
SUBSCRIPTION AGREEMENT

Subscriber hereby elects to subscribe under the Subscription Agreement for a total of _____ shares of Series C Preferred at a price of $5.59 per share (NOTE: to be completed by subscriber) and executes the Subscription Agreement.

Date (NOTE: To be completed by subscriber): _____, 2011

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:** **Title:**	**State of Organization**
Date	**Address**

CORONADO BIOSCIENCES, INC.	**NATIONAL SECURITIES CORP.**
By: _____ Authorized Officer	By: _____ Authorized Officer

Exhibit 10.6

CONSENT AND SUPPORT AGREEMENT

This **CONSENT AND SUPPORT AGREEMENT** (***"Agreement"***) is being executed and delivered as of the date set forth on the signature page hereof, for the benefit of **CORONADO BIOSCIENCES, INC.**, a Delaware corporation (the ***"Company"***), by the stockholder of the Company identified on the signature page hereof (the ***"Stockholder"***).

RECITALS

A. The Company's Board of Directors (the ***"Board"***) has approved, subject to stockholder approval, an amendment to the Company's Amended and Restated Certificate of Incorporation, as modified by that certain Certificate of Designation, Preferences and Rights of the Series B Preferred Stock (the ***"Current Certificate"***) to (i) eliminate the Special Dividend set forth in Article IV.E Section 1(a) of the Current Certificate and (ii) restate the automatic conversion provision applicable to the Company's Series A Preferred Stock (the ***"Series A Preferred"***) set forth in Article IV.E, Section 5(j) of the Current Certificate which, in turn, is applicable to the Company's Series B Preferred Stock (the ***"Series B Preferred"***) in accordance with the terms of the Series B Preferred. Such amendment, as approved by the Board, (the ***"Certificate of Amendment"***) is attached hereto as **Exhibit A-1**.

B. The Board is currently negotiating with Kopr Resources, Inc. ("***Kopr***"), a public "shell" company that is reporting pursuant to the requirements of the Securities Exchange Act of 1934, as amended (the ***"Exchange Act"***), with which the Company would enter into a "reverse merger" transaction (the "***Merger***"). Pursuant to the Merger, it is currently contemplated that the Merger would be consummated in accordance with the terms of that certain Summary of Terms of Proposed Reverse Merger between the Company and Kopr dated March 14, 2011, (the "***Reverse Merger Term Sheet***") attached hereto as **Exhibit B**.

C. As an inducement for the Stockholder to enter into this Agreement, the Board has declared, contingent upon the receipt by the Company of executed Consent and Support Agreements from the holders of a majority of the outstanding shares of Series A Preferred, a stock dividend (the ***"Dividend"***), contingent upon and effective and payable immediately prior to the filing of the Certificate of Amendment with the Secretary of State of the State of Delaware, payable in shares of the Company's Common Stock, such that a dividend of one half (1/2) share of the Company's Common Stock be paid for each one (1) share of the Series A Preferred outstanding on March 1, 2011.

AGREEMENT

For valuable consideration (the receipt and sufficiency of which are hereby acknowledged by Stockholder), Stockholder hereby covenants and agrees as follows:

1. CONSENT. Stockholder hereby consents with respect to all shares of the Company's capital stock actually or beneficially owned by Stockholder as of the date hereof, to the adoption of the resolutions attached hereto as **Exhibit A**.

2. SUPPORT AGREEMENT; PROXY.

(a) Support of Merger. From and after the date on which the Company declares the Dividend, in the event that the Board approves the Merger, Stockholder agrees to (i) be present, in person or by proxy, at all meetings for the vote thereon, (ii) vote or act by written consent with respect to all shares of the Company's capital stock then actually or beneficially owned by Stockholder for, and raise no objections to, such Merger; provided, that (a) such Merger is consistent with the terms of the Reverse Merger Term Sheet and (b) the merger agreement with Kopr, the Certificate of Incorporation of Kopr and the respective Certificate of Designation for the Shares of Preferred Stock of Kopr for which the Series A Preferred and Series B Preferred will be exchanged in the Merger (collectively, the "Merger Documents") are acceptable to the Stockholder in form and substance, (iii) waive and refrain from exercising any dissenters' rights, appraisal rights or similar rights that may apply to such Merger; provided, that (a) such Merger is consistent with the terms of the Reverse Merger Term Sheet and (b) the Merger Documents are acceptable to the Stockholder in form and substance. For the avoidance of doubt, the Stockholder shall not (x) be obligated to provide any representations or warranties in connection with the Merger, (y) be liable for indemnification, if any, in such Merger or for the inaccuracy of any representations and warranties made by the Company in connection with such Merger, other than on a basis which is several and not joint or (z) take any other actions in connection with the Merger other than rendering its Series A Preferred, Series B Preferred and Common Stock for exchange in the Merger.

In the event that subsequent to the date hereof there are (i) any material changes to the terms of the Merger or the Merger Term Sheet, (ii) there are any material changes to the Merger Documents in the form approved by the Stockholders or (iii) the Company waives any material representations, warranties or closing conditions contained in the merger agreement with Kopr, the consent set forth in Section 2(a) above shall be void and the Company shall be obligated to re-solicit the Consent of the Stockholders.

3. TRANSFER OF SECURITIES AND VOTING RIGHTS.

(a) Restriction on Transfer of Securities. Subject to Section 3(c) below, during the period from the date of this Agreement through the Expiration Date, Stockholder shall not, directly or indirectly, cause or permit any Transfer of any of the Stockholder's shares of the Company's capital stock.

(b) Restriction on Transfer of Voting Rights. During the period from the date of this Agreement through the Expiration Date, Stockholder shall ensure that (a) none of its shares of the Company's capital stock is deposited into a voting trust and (b) no proxy is granted, and no voting agreement or similar agreement is entered into, with respect to any of such shares of capital stock.

(c) Permitted Transfers. Section 3(a) above shall not prohibit a transfer of Company Common Stock by Stockholder (i) to any member of Stockholder's immediate family, or to a trust for the benefit of Stockholder and/or any member of Stockholder's immediate family, (ii) upon the death of Stockholder, (iii) if Stockholder is a corporation, partnership or limited liability company, to one or more shareholders, partners or members of Stockholder or to an affiliated corporation under common control with Stockholder or (iv) to any affiliate of Stockholder; *provided, however,* that a transfer referred to in this sentence shall be permitted

only if, as a precondition to such transfer, the transferee agrees in writing, in a form reasonably satisfactory to the Company, to be bound by the terms of this Agreement.

4. DEFINITIONS.

(a) "*Expiration Date*" shall mean the date which is the earliest to occur of (i) immediately following the consummation of the Merger, (ii) August 15, 2011 or (iii) abandonment of the Merger by the Company or Kopr. The Company will notify the Stockholder immediately if the Company or Kopr abandons the Merger.

(b) A Stockholder shall be deemed to have a effected a "***Transfer***" of a security if such Stockholder directly or indirectly (i) sells, pledges, encumbers, grants an option with respect to, transfers or disposes of such security or any interest in such security or (ii) enters into an agreement or commitment contemplating the possible sale of, pledge of, encumbrance of, grant of an option with respect to, transfer of or disposition of such security or any interest therein.

5. REPRESENTATIONS AND WARRANTIES OF STOCKHOLDER. Stockholder hereby represents and warrants to the Company as follows:

(a) Authorization, etc. Stockholder has the power and authority to execute and deliver this Agreement and to perform his or its obligations hereunder and thereunder. This Agreement has been duly executed and delivered by Stockholder and constitutes a legal, valid and binding obligation of Stockholder, enforceable against Stockholder in accordance with its terms, subject to (i) laws of general application relating to bankruptcy, insolvency and the relief of debtors and (ii) rules of law governing specific performance, injunctive relief and other equitable remedies. If Stockholder is an entity, then Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it was organized.

(b) No Conflicts or Consents. The execution and delivery of this Agreement by Stockholder does not, and the performance of this Agreement by Stockholder will not (i) conflict with or violate any law, rule, regulation, order, decree or judgment applicable to Stockholder or (ii) require any consent or approval of any other person or entity.

(c) Stockholder represents that it is an "accredited investor" (see **Appendix 1** hereto) within the meaning of Regulation D under the Securities Act.

6. MISCELLANEOUS.

(a) Registration Rights. The registration rights set forth in **Appendix 2** attached hereto shall apply to all of the Registrable Securities (as defined in **Appendix 2**) held by the Stockholder as of the date hereof or issued as part of the Dividend. The Company represents to the Stockholder that the registration rights set forth in **Appendix 2** attached hereto are at least as favorable as those offered to the purchasers of the Company's Series C Preferred Stock. The Company further covenants to the Stockholder that it will not provide to the holders of the Series C Preferred Stock registration rights that are more favorable than those offered to the Stockholder, without offering such rights to the Stockholder.

(b) Expenses. All costs and expenses incurred in connection with the transactions contemplated by this Agreement shall be paid by the party incurring such costs and expenses.

(c) Notices. Any notice or other communication required or permitted to be delivered to either party under this Agreement shall be in writing and shall be deemed properly delivered, given and received when delivered (by hand, by registered mail, by courier or express delivery service or by facsimile) to the address set forth beneath the name of such party below (or to such other address as such party shall have specified in a written notice given to the other party):

if to Stockholder:

at the address set forth on the signature page hereof; and

if to the Company:

45 Rockefeller Plaza, Suite 2000
New York, NY, 10111
Attn: Chief Executive Officer

(d) Entire Agreement. This Agreement sets forth the entire understanding of the parties relating to the subject matter hereof and supersedes all prior agreements and understandings among or between Stockholder and the Company relating to the subject matter hereof.

(e) Severability. If any provision of this Agreement or any part of any such provision is held under any circumstances to be invalid or unenforceable in any jurisdiction, then (i) such provision or part thereof shall, with respect to such circumstances and in such jurisdiction, be deemed amended to conform to applicable laws so as to be valid and enforceable to the fullest possible extent, (ii) the invalidity or unenforceability of such provision or part thereof under such circumstances and in such jurisdiction shall not affect the validity or enforceability of such provision or part thereof under any other circumstances or in any other jurisdiction and (iii) such invalidity or enforceability of such provision or part thereof shall not affect the validity or enforceability of the remainder of such provision or the validity or enforceability of any other provision of this Agreement. Each provision of this Agreement is separable from every other provision of this Agreement, and each part of each provision of this Agreement is separable from every other part of such provision.

(f) Governing Law. This Agreement shall be construed in accordance with, and governed in all respects by, the laws of the State of New York (without giving effect to principles of conflicts of laws). The parties submit to the exclusive jurisdiction of the state and federal courts located in New York County, New York for any action, suit or proceeding arising out of this Agreement.

(g) Specific Performance. The parties hereto hereby declare that it is impossible to measure in money the damages which will accrue to a party hereto or to their heirs,

personal representatives, or assigns by reason of a failure to perform any of the obligations under this Agreement and agree that the terms of this Agreement shall be specifically enforceable. If any party hereto or his heirs, personal representatives, or assigns institutes any action or proceeding to specifically enforce the provisions hereof, any person against whom such action or proceeding is brought hereby waives the claim or defense therein that such party or such personal representative has an adequate remedy at law, and such person shall not offer in any such action or proceeding the claim or defense that such remedy at law exists.

(h) Assignment; Binding Effect. Except as provided herein, neither this Agreement nor any of the interests or obligations hereunder may be assigned or delegated by Stockholder, and any attempted or purported assignment or delegation of any of such interests or obligations shall be void. Subject to the preceding sentence, this Agreement shall be binding upon Stockholder and his heirs, estate, executors and personal representatives and his or its successors and assigns, and shall inure to the benefit of the Company and its successors and assigns. Without limiting any of the restrictions set forth in Section 3 hereof (or elsewhere in this Agreement), this Agreement shall be binding upon any person or entity to whom any of Stockholder's shares of the Company's capital stock are transferred. Nothing in this Agreement is intended to confer on any person or entity (other than the Company and its successors and assigns) any rights or remedies of any nature.

(i) Waiver. No failure on the part of the Company to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of the Company in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy. The Company shall not be deemed to have waived any claim available to the Company arising out of this Agreement, or any power, right, privilege or remedy of the Company under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of the Company; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

(j) Jury Trial. STOCKHOLDER IRREVOCABLY WAIVES THE RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY LEGAL PROCEEDING RELATING TO THIS AGREEMENT OR THE ENFORCEMENT OF ANY PROVISION OF THIS AGREEMENT.

[REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

IN WITNESS WHEREOF, Stockholder has caused this Agreement to be executed as of the date set forth below.

STOCKHOLDER:

Name of Stockholder:

_____

Signature: _____

Name and Title (if Stockholder is an entity):

Address: _____

Date: _____

Acknowledged and Agreed:

COMPANY:

By: _____

Name: _____

Title: _____

EXHIBIT A

STOCKHOLDER RESOLUTIONS

AMENDMENT OF AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

WHEREAS, the Company's Board of Directors has approved, subject to stockholder approval, an amendment to the Company's Amended and Restated Certificate of Incorporation, as modified by that certain Certificate of Designation, Preferences and Rights of the Series B Preferred Stock (the ***"Current Certificate"***) to (i) eliminate the Special Dividend set forth in Article IV.E, Section 1(a) of the Current Certificate and (ii) restate the automatic conversion provision applicable to the Company's Series A Preferred Stock, set forth in Article IV.E, Section 5(j) of the Current Certificate which, in turn, is applicable to the Company's Series B Preferred Stock (the ***"Series B Preferred"***) in accordance with the terms of the Series B Preferred.

RESOLVED, that effective and contingent upon the payment of the Dividend (as defined in the Consent and Support Agreement to which these resolutions are attached as Exhibit A) the First Certificate of Amendment of Amended and Restated Certificate of Incorporation of the Company, in substantially the form attached hereto as **Exhibit A-1** (the "***Certificate of Amendment***") be, and it hereby is, adopted and approved in all respects;

RESOLVED FURTHER, that the officers of the Company be, and each of them hereby is, authorized and directed to execute the Certificate of Amendment on behalf of the Company and to file the Certificate of Amendment with the Delaware Secretary of State in the form and manner as required by the laws of the State of Delaware; and

RESOLVED FURTHER, that the officers of the Company be, and each of them hereby is, authorized and directed, for and on behalf of the Company, to take such further actions and execute such documents as may be necessary in order to implement the foregoing resolutions.

EXHIBIT A-1
CERTIFICATE OF AMENDMENT

APPENDIX 1

The term "***accredited investor***" includes:

- an individual (not a partnership, corporation, etc.) whose individual net worth, or joint net worth with his or her spouse, presently exceeds $1,000,000;

Explanation: In calculating net worth you may include equity in personal property and real estate, excluding your principal residence, cash, short-term investments, stock and securities. Equity in personal property and real estate should be based on the fair market value of such property minus debt secured by such property.

- an individual (not a partnership, corporation, etc.) who had an income in excess of $200,000 in each of the two most recent years, or joint income with his or her spouse in excess of $300,000 in each of those years (in each case, including foreign income, tax exempt income and full amount of capital gains and losses, but excluding any income of other family members and any unrealized capital appreciation), and has a reasonable expectation of reaching the same income level in the current year;
- either: (a) a bank as defined in Section 3(a)(2) of the Securities Act of 1933, as amended (the "***Act***"); (b) a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the Act, whether acting in its individual or fiduciary capacity; (c) a broker dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934; (d) an insurance company as defined in Section 2(a)(13) of the Act; (e) an investment company registered under the Investment Company Act of 1940, as amended (the "Investment Company Act") or a business development company as defined in Section 2(a)(48) of the Investment Company Act; (f) 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; (g) a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such a plan has total assets in excess of $5,000,000; or (h) an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company or registered investment advisor, or if the employee benefit plan has total assets in excess of $5,000,000, or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors, as defined in Rule 501(a) promulgated under the Act;
- a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended;
- an organization within the meaning of Section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership, not formed for the specific purpose of acquiring the Company's securities, with total assets in excess of $5,000,000;
- a trust with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the Company's securities, whose investments are directed by a "sophisticated person" as described in Rule 506(b)(2)(ii) promulgated under the Act;
- an entity, all the equity owners of which are "***accredited investors***" within one or more of the above categories; or
- a director or executive officer of the Company.

APPENDIX 2

RESALE REGISTRATION RIGHTS

Except as set forth herein, all of the terms and conditions in (a) the letter agreements dated January 7, 2010 between the Company and the Holders of Series A Preferred Stock and Series B Preferred Stock of Asphelia Pharmaceuticals, Inc. and (b) the registration rights sections in each of the subscription agreements between the Company and the Stockholder, shall continue to apply with respect to the Registrable Securities covered by the applicable agreement. All defined terms used, but not otherwise defined, herein shall have the respective meanings ascribed to them in the Consent and Support Agreement dated as of April __, 2011.

1.1 Definitions. As used in this Appendix 2, the following terms shall have the following meanings.

(a) The term "Company" shall mean Coronado Biosciences, Inc.

(b) The term "Holder" shall mean any holder of Registrable Securities.

(c) The term "IPO" shall mean an initial offering of the Company's securities to the public pursuant to an effective registration statement under the Securities Act.

(d) The terms "register", "registered" and "registration" refer to a registration effected by preparing and filing a registration statement or similar document in compliance with the Securities Act, and the declaration or order of effectiveness of such registration statement or document.

(e) The term "Registrable Securities" shall mean (i) the shares of common stock issuable upon the conversion of the preferred stock of the Company (or any successor security) then held by the Holder; and (ii) any shares of equity securities issuable (or issuable upon the conversion or exercise of any warrant, right or other security that is issued) pursuant to a dividend (including, without limitation, the Dividend) or other distribution with respect to or in replacement of any Securities; provided, however, that securities shall only be treated as Registrable Securities if and only for so long as they (A) have not been disposed of pursuant to a registration statement declared effective by the SEC; (B) have not been sold in a transaction exempt from the registration and prospectus delivery requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale; (C) are held by a Holder or a permitted transferee of a Holder pursuant to Section 1.11; or (D) may not be disposed of by the Holder under Rule 144 under the Securities Act without restriction including public information requirements.

(f) The term "Trading Event" means the first date on which the Company's Common Stock trades on a national securities exchange or an Over-the-Counter Bulletin Board.

1.2 Resale Registration. In addition to the existing registration rights of the Stockholder, within 60 days of the earlier to occur of (i) the first day that shares of the Company's capital stock are registered pursuant to Section 12 of the Exchange Act or (ii) the effective date of the Merger, (the date of the earlier of (i) or (ii) to occur referred to herein as the "Public Date"), the Company shall file a resale registration statement covering the resale of all of the Registrable Securities (or less than all, if the Company is limited in the number of shares that it can include on such resale registration statement by regulation or the requirements of any exchange), and use its reasonable best efforts to have the registration statement declared effective within 120 days after the Public Date.

1.3 Registration Procedures. In connection with the registration rights included in this Appendix 2, the Company shall, as expeditiously as reasonably possible:

(a) Use reasonable best efforts to (i) cause such registration statement to become effective, and (ii) cause such registration statement to remain effective in accordance with Section 1.12 hereof. The Company will also use its reasonable best efforts to, during the period that such registration statement is required to be maintained hereunder, file such post-effective amendments and supplements thereto as may be required by the Securities Act and the rules and regulations thereunder or otherwise to ensure that the registration statement does not contain any untrue statement of material fact or omit to state a fact required to be stated therein or necessary to make the statements contained therein, in light of the circumstances under which they are made, not misleading; *provided, however,* that if applicable rules under the Securities Act governing the obligation to file a post-effective amendment permits, in lieu of filing a post-effective amendment that (i) includes any prospectus required by Section 10(a)(3) of the Securities Act or (ii) reflects facts or events representing a material or fundamental change in the information set forth in the registration statement, the Company may incorporate by reference information required to be included in (i) or (ii) above in the preceding sentence to the extent such information is contained in periodic reports filed pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") in the registration statement. In the event that the Company becomes qualified for the use of Form S-3 or any successor form at a time when any registration statement on any other Form which includes Registrable Securities is required to be maintained hereunder, the Company shall, upon the request of any Holder, subject to Section 1.4, (i) as expeditiously as reasonably possible, use commercially reasonable efforts to cause a Short-Form Registration covering such Registrable Securities to become effective and (ii) comply with each of the other requirements of this Section 1.3 which may be applicable thereto. Upon the effectiveness of such Short-Form Registration, the Company shall be relieved of its obligations hereunder to keep in effect the registration statement which initially covered the Registrable Securities included in such Short-Form Registration.

(b) Prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement.

(c) Furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus as amended or supplemented from time to time, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of Registrable Securities owned by them.

(d) Use reasonable best efforts to register and qualify the securities covered by such registration statement under the state securities laws of such jurisdictions as shall be reasonably requested by the selling Holders; *provided, however,* that the Company shall not be required in connection therewith or as a condition thereto to qualify to do business or to file a general consent to service of process in any such states, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act.

(e) In the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the managing underwriter of such offering. Each selling Holder participating in such underwriting shall also enter into and perform its obligations under such an agreement.

(f) Notify each Holder of Registrable Securities covered by such registration statement, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, (i) when the registration statement or any post-effective amendment and supplement thereto has become effective; (ii) of the issuance by the SEC of any stop order or the initiation of proceedings for that purpose (in which event the Company shall make every effort to obtain the withdrawal of any order suspending effectiveness of the registration statement at the earliest possible time or prevent the entry thereof); (iii) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Registrable Securities for sale in any jurisdiction or the initiation of any proceeding for such purpose; and (iv) of the happening of any event as a result of which the prospectus included in such registration statement, as then in effect, includes an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances then existing (and each Holder agrees to suspend any trading under the Registration Statement until such condition is abated).

(g) Cause all such Registrable Securities registered hereunder to be listed on each securities exchange or quotation service on which similar securities issued by the Company are then listed or quoted or, if no such similar securities are listed or quoted on a securities exchange or quotation service, apply for qualification and use reasonable best efforts to qualify such Registrable Securities for inclusion on a national securities exchange or the Over-the-Counter Bulletin Board.

(h) Provide a transfer agent and registrar for all Registrable Securities registered hereunder and a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration.

(i) Cooperate with the selling Holders and the managing underwriters, if any, to facilitate the timely preparation and delivery of certificates representing the Registrable Securities to be sold, which certificates will not bear any restrictive legends; and enable such Registrable Securities to be in such denominations and registered in such names as the managing underwriters, if any, shall request at least two business days prior to any sale of the Registrable Securities to the underwriters.

1.4 Furnish Information. It shall be a condition precedent to the obligation of the Company to take any action pursuant to this Appendix 2 with respect to the Registrable Securities of any Holder that such Holder shall furnish to the Company such information regarding the Holder, the Registrable Securities held by the Holder, and the intended method of disposition of such securities as shall be reasonably required by the Company to effect the registration of such Holder's Registrable Securities.

1.5 Registration Expenses. The Company shall bear and pay all expenses incurred in connection with any registration, filing or qualification of Registrable Securities with respect to registrations pursuant to Section 1.2 for each Holder, including (without limitation) all registration, filing, and qualification fees, printers and accounting fees relating or apportionable thereto ("Registration Expenses"), but excluding underwriting discounts and commissions relating to Registrable Securities and excluding any professional fees or costs of accounting, financial or legal advisors to any of the Holders.

1.6 Underwriting Requirements. In connection with any offering involving an underwriting of shares of the Company's capital stock, if the total amount of securities, including Registrable Securities, requested by Holders to be included in such offering exceeds the amount of securities sold that the underwriters determine in their sole discretion is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such Registrable Securities which the underwriters determine in their sole discretion will not jeopardize the success of the offering (the securities so included to be apportioned pro rata among the selling Holders according to

the total amount of securities entitled to be included therein owned by each selling Holder or in such other proportions as shall mutually be agreed to by such selling Holders). For purposes of the preceding parenthetical concerning apportionment, for any selling Holder who is a holder of Registrable Securities and is a partnership or corporation, the partners, retired partners and stockholders of such Holder, or the estates and family members of any such partners and retired partners and any trusts for the benefit of any of the foregoing persons shall be deemed to be a single "selling Holder," and any pro-rata reduction with respect to such "selling Holder" shall be based upon the aggregate amount of shares carrying registration rights owned by all entities and individuals included in such "selling Holder," as defined in this sentence.

1.7 Rule 415 Requirements. Notwithstanding the registration obligations set forth in Section 1.2, in the event the SEC informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale on a single registration statement, the Company agrees to promptly (i) inform each of the Holders thereof, (ii) file amendments to the registration statement as required by the SEC and/or (iii) withdraw the registration statement and file a new registration statement (a "New Registration Statement"), in either case covering the maximum number of Registrable Securities permitted to be registered by the SEC, on Form S-1 or such other form available to register for resale the Registrable Securities as a secondary offering; *provided, however*, that prior to filing such amendment or New Registration Statement, the Company shall be obligated to use its commercially reasonable efforts to advocate with the SEC for the registration of all of the Registrable Securities in accordance with the SEC guidance, including without limitation, the Manual of Publicly Available Telephone Interpretations D.29. In the event the Company amends the registration statement or files a New Registration Statement, as the case may be, under clauses (ii) or (iii) above, the Company will file with the SEC, as promptly as allowed by the SEC or by SEC guidance provided to the Company or to registrants of securities in general, one or more registration statements on Form S-1 or such other form available to register for resale those Registrable Securities that were not registered for resale on the registration statement, as amended, or the New Registration Statement and cause such registration statement to be declared effective by the SEC. The foregoing notwithstanding, if the Company is required to limit the number of shares that it can include on such resale registration statement or New Registration Statement by regulation or the requirements of the SEC or any exchange, then, notwithstanding any other registration rights of the Holder, the number of Registrable Securities to be included on such registration statement and New Registration Statement shall be allocated to the Holders on a *pro rata* basis based on the number of Registrable Securities held by all Holders.

1.8 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any such registration as the result of any controversy that might arise with respect to the interpretation or implementation of this Appendix 2.

1.9 Indemnification. In the event that any Registrable Securities are included in a registration statement under this Appendix 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each Holder, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a "Violation"): (i) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto, (ii) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading, or (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange

Act, or any rule or regulation promulgated under the Securities Act, or the Exchange Act, and the Company will pay to each such Holder, underwriter or controlling person, as incurred, any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 1.9(a) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability, or action if such settlement is effected without the consent of the Company (which consent shall not be unreasonably withheld), nor shall the Company be liable in any such case for any such loss, claim, damage, liability, or action to the extent that it arises out of or is based upon a Violation which occurs in reliance upon and in conformity with written information furnished expressly for use in connection with such registration by any such Holder, underwriter or controlling person or a violation of any provision of this Appendix 2 by a Holder.

(b) To the extent permitted by law, each Selling Holder will indemnify and hold harmless the Company, each of its directors, each of its officers, each person, if any, who controls the Company within the meaning of the Securities Act, any underwriter, any other Holder selling securities in such registration statement and any controlling person of any such underwriter or other Holder, against any losses, claims, damages, or liabilities (joint or several) to which any of the foregoing persons may become subject, under the Securities Act, or the Exchange Act, insofar as such losses, claims, damages, or liabilities (or actions in respect thereto) arise out of or are based upon any Violation, in each case to the extent (and only to the extent) that such Violation occurs in reliance upon and in conformity with written information furnished by such Holder expressly for use in connection with such registration or a violation of any provision of this Appendix 2 by a Holder; and each such Holder will pay, as incurred, any legal or other expenses reasonably incurred by any person intended to be indemnified pursuant to this Section 1.9(b), in connection with investigating or defending any such loss, claim, damage, liability, or action; provided, however, that the indemnity agreement contained in this Section 1.9(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; provided, further, that, in no event shall any indemnity under this Section 1.9(b) exceed the cash value of the net proceeds from the offering received by such Holder.

(c) Promptly after receipt by an indemnified party under this Section 1.9 of notice of the commencement of any action (including any governmental action), such indemnified party shall, if a claim in respect thereof is to be made against any indemnifying party under this Section 1.9, deliver to the indemnifying party a written notice of the commencement thereof and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly notified, to assume the defense thereof with counsel selected by the indemnifying party and approved by the indemnified party (whose approval shall not be unreasonably withheld); provided, however, that an indemnified party (together with all other indemnified parties which may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such proceeding. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action, if prejudicial to its ability to defend such action, shall relieve such indemnifying party of any liability to the indemnified party under this Section 1.9, but the omission so to deliver written notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Section 1.9.

(d) If the indemnification provided for in this Section 1.9 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 therein, then the indemnifying party, in lieu of indemnifying such

indemnified party hereunder, shall contribute to the amount paid or payable by such indemnified party as a result of such loss, liability, claim, damage, or expense in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions that resulted in such loss, liability, claim, damage, or expense as well as any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission. Notwithstanding the foregoing, in no event shall the amount of any contribution under this Section 1.9(d) exceed the cash value of the net proceeds from the offering received by such Holder

(e) The obligations of the Company and Holders under this Section 1.9 shall survive the completion of any offering of Registrable Securities in a registration statement under this Appendix 2, and otherwise.

1.10 Reports Under Securities Exchange Act of 1934. With a view to making available to the Holders the benefits of Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company agrees to:

(a) file Form 10 information as promptly as practicable after the Reverse Merger in accordance with Rule 144(i).

(b) make and keep public information available, as those terms are understood and defined in Rule 144, at all times after 90 days after the effective date of the IPO or Trading Event by the Company;

(c) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act; and

(d) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (ii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

1.11 Permitted Transferees. The rights to cause the Company to register Registrable Securities granted to the Holders by the Company under this Appendix 2 may be assigned in full by a Holder in connection with a transfer by such Holder of its Registrable Securities if: (a) such transfer is otherwise effected in accordance with applicable securities laws and any agreement between the Company and the Holder; and (b) such Holder transfers at least 51% of its shares of Registrable Securities to the transferee. Except as specifically permitted by this Section 1.11, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer of such registration rights shall by void.

1.12 Termination of Registration Rights. The right of any Holder to request or demand inclusion in any registration pursuant to Section 1.2 shall terminate if all Registrable Securities held by such Holder may immediately be sold under Rule 144 without restriction, including public information requirements.

Exhibit 10.7

April 29, 2011

To: Manchester Securities Corp.

Dear Investor:

Reference is made to that certain Consent and Support Agreement (the "Agreement"), between you and Coronado Biosciences, Inc., a Delaware corporation ("Coronado" or the "Company"). The purpose of this letter agreement (this "Letter Agreement") is to confirm Coronado's agreement to extend certain preemptive rights to you and your affiliates (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended ("the Securities Act")).

As set forth in the Agreement, the Board (defined below) is currently negotiating with Kopr Resources, Inc., a public "shell" company that is reporting pursuant to the requirements of the Securities Exchange Act of 1934, as amended, with which the Company would enter into a "reverse merger" transaction (the "Merger"). Pursuant to such the Merger, it is currently contemplated that each issued and outstanding share of Common Stock and Preferred Stock of the Company would be automatically exchanged into shares of the shell company's common and preferred stock, with each class and series of stock retaining rights, preferences and privileges substantially similar to those in effect immediately prior to the Merger. The Company expects that, if such the Merger is consummated, the public "shell" company would adopt and continue implementing the Company's business plan and that the Company's board of directors and management would become the initial board of directors and management of the surviving company.

Specifically, Coronado agrees as follows:

A. The rights set forth in paragraph B of this Letter Agreement are offered as consideration for and are effective upon the execution by you of the Agreement. Such rights shall expire upon the earlier to occur of (i) the eighteen-month anniversary of the registration under the Securities Act of the Company's capital stock held by you in connection with the consummation of the Merger, (ii) upon your (or any of your affiliates') failure to approve in your capacity as a stockholder of Coronado (either at a special meeting of stockholders or by written consent of the stockholders) the Merger approved by the board of directors of Coronado (the "Board"), provided that the Company is in material compliance with the Agreement, and (iii) receipt by Coronado of written notice from you that you are irrevocably waiving the rights provided herein on behalf of all of your affiliates; *provided that*, expiration under clause (ii) of this sentence shall be effective on the 15th day following your receipt of a notice from the Company that your rights hereunder are expiring pursuant to clause (ii) of this sentence.

B. You, and your affiliates, shall have the preemptive rights set forth on Annex I to this Letter Agreement.

C. This Letter Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and supersedes any previous grant of preemptive or similar rights to you or your affiliates by Coronado.

D. This Letter Agreement shall be governed by and construed in accordance with the internal, substantive laws of the State of New York, without regard to the conflicts of laws principles thereof.

Sincerely,

CORONADO BIOSCIENCES, INC.

By: /s/ Gary G. Gemignani

Name: Gary G. Gemignani

Title: Executive Vice President, Chief Operating Officer and Chief Financial Officer

Annex I

PREEMPTIVE RIGHTS

1.1 Subsequent Offerings. Subject to applicable securities laws, commencing on the date hereof and ending on the date that is the eighteen months following the registration under the Securities Act of the Company's capital stock held by you in connection with the consummation of the Merger (the "Term"), each of you and your affiliates that is an "accredited investor" within the meaning of Regulation D under the Securities Act (each an "Investor") shall have a right of first refusal to purchase its *pro rata* share of all Equity Securities, as defined below, that the Company may, from time to time, propose to sell and issue after the date of this Agreement, other than the Equity Securities excluded by Section 1.4 hereof. Each Investor's *pro rata* share is equal to the ratio of (a) the number of shares of capital stock of the Company which such Investor is deemed to beneficially own immediately prior to the issuance of such Equity Securities, to (b) the total number of shares of the Company's common stock outstanding (including all shares of common stock issued or issuable upon conversion of the preferred stock or upon the exercise of any outstanding warrants or options) immediately prior to the issuance of the Equity Securities. Furthermore, the Company hereby agrees that following the Merger it shall not directly or indirectly pay any finders fees, sales commissions or other similar fees in connection with any amounts an Investor invests in Equity Securities pursuant to the rights granted in this Section 1.1. The term "Equity Securities" shall mean (i) any common stock, preferred stock or other security of the Company, (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any common stock, preferred stock or other security (including any option to purchase such a convertible security) of the Company, (iii) any security carrying any warrant or right to subscribe to or purchase any common stock, preferred stock or other security of the Company or (iv) any such warrant or right. Notwithstanding anything herein to the contrary, if (A)(1) the Company entered into discussions regarding a sale or issuance of Equity Securities prior to the expiration of the Term or (2) you received a Notice (as defined below) with respect to a sale or issuance of Equity Securities prior to the expiration of the Term, (B) the Company did not complete the sale or issuance of Equity Securities as described in clauses (1) and (2) above, and (C) the Company thereafter completes such sale or issuance described in clauses (1) and/or (2) above within one (1) year following the expiration of the Term, then your rights hereunder shall apply to such sale or issuance of the Equity Securities during that one (1)-year period.

1.2 Exercise of Rights. If the Company proposes to issue any Equity Securities, it shall give each Investor written notice (the "Notice") of its intention, describing the Equity Securities, the aggregate amount of Equity Securities that the Company proposes to issue, the price and the terms and conditions upon which the Company proposes to issue the same and the proposed issuance date of such Equity Securities (the "Proposed Issuance Date"). Each Investor shall be entitled to purchase its *pro rata* share of the Equity Securities for the price and upon the terms and conditions specified in the Notice by giving written notice to the Company on or prior to the later of (a) the date that is five days prior to the Proposed Issuance Date and (b) 15 days after the date of the Notice, and stating therein the quantity of Equity Securities to be purchased. The Company shall have sixty (60) days thereafter to sell the Equity Securities in respect of which the Investor's rights were not exercised, at a price not lower and upon general terms and conditions not materially more favorable to the purchasers thereof than specified in the Notice.

If the Company has not sold such Equity Securities within sixty (60) days after the Notice, the Company shall not thereafter issue or sell any Equity Securities, without first offering such securities to the Investors in the manner provided above. Notwithstanding the foregoing, the Company shall not be required to offer or sell such Equity Securities to any Investor who would cause the Company to be in violation of applicable federal securities laws by virtue of such offer or sale.

1.3 Sale Without Notice. In lieu of giving notice to the Investors prior to the issuance of Equity Securities as provided in Section 1.2, the Company may elect to give notice to the Investors within ten (10) days after the issuance of Equity Securities. Such notice shall describe the type, price and terms of the Equity Securities. Each Investor shall have ninety (90) days from the date of receipt of such notice to elect to purchase up to the number of shares that would, if purchased by such Investor, maintain such Investor's *pro rata* share (as set forth in Section 1.1) of the Company's equity securities after giving effect to all such purchases. The closing of such sale shall occur within thirty (30) days after such election by such Investor.

1.4 Excluded Securities. The preemptive rights established by this Annex I shall have no application to any of the following Equity Securities:

(a) shares of common stock and/or options, warrants or other common stock purchase rights and the common stock issued pursuant to such options, warrants or other rights issued or to be issued after the date hereof to employees, officers or directors of, or consultants or advisors to the Company or any subsidiary, pursuant to stock purchase or stock option plans or other arrangements that are approved by the Board;

(b) stock issued or issuable pursuant to any rights or agreements, options, warrants or convertible securities outstanding as of the date of this Letter Agreement; and stock issued pursuant to any such rights or agreements granted after the date of this Letter Agreement, so long as the rights of first refusal established by this Annex I were complied with, waived, or were inapplicable pursuant to any provision of this Section 1.4 with respect to the initial sale or grant by the Company of such rights or agreements;

(c) any Equity Securities issued for consideration other than cash pursuant to a merger, consolidation, acquisition or similar business combination approved by the Board;

(d) any Equity Securities issued in connection with any stock split, stock dividend or recapitalization by the Company;

(e) any Equity Securities issued pursuant to any equipment loan or leasing arrangement, real property leasing arrangement, or debt financing from a bank or similar financial or lending institution the principal purpose of which is other than for the raising of capital through the sale of equity securities; *provided* that the issuance has been approved by the Board; and

(f) any Equity Securities issued in connection with strategic transactions involving the Company and other entities the principal purpose of which is other than for the raising of capital through the sale of equity securities, including, without limitation (i) joint ventures, manufacturing, marketing or distribution arrangements or (ii) technology transfer or

development arrangements; *provided* that the issuance of shares therein has been approved by the Board.

Exhibit 10.8

CORONADO BIOSCIENCES, INC.

2007 STOCK INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business.

2. Definitions. The following definitions shall apply as used herein and in the individual Award Agreements except as defined otherwise in an individual Award Agreement. In the event a term is separately defined in an individual Award Agreement, such definition shall supersede the definition contained in this Section 2.

(a) "Administrator" means the Board or any of the Committees appointed to administer the Plan.

(b) "Affiliate" and "Associate" shall have the respective meanings ascribed to such terms in Rule 12b-2 promulgated under the Exchange Act.

(c) "Applicable Laws" means the legal requirements relating to the Plan and the Awards under applicable provisions of federal and state securities laws, the corporate laws of California and, to the extent other than California, the corporate law of the state of the Company's incorporation, the Code, the rules of any applicable stock exchange or national market system, and the rules of any non-U.S. jurisdiction applicable to Awards granted to residents therein.

(d) "Assumed" means that pursuant to a Corporate Transaction either (i) the Award is expressly affirmed by the Company or (ii) the contractual obligations represented by the Award are expressly assumed (and not simply by operation of law) by the successor entity or its Parent in connection with the Corporate Transaction with appropriate adjustments to the number and type of securities of the successor entity or its Parent subject to the Award and the exercise or purchase price thereof which at least preserves the compensation element of the Award existing at the time of the Corporate Transaction as determined in accordance with the instruments evidencing the agreement to assume the Award.

(e) "Award" means the grant of an Option, SAR, Dividend Equivalent Right, Restricted Stock, Restricted Stock Unit or other right or benefit under the Plan.

(f) "Award Agreement" means the written agreement evidencing the grant of an Award executed by the Company and the Grantee, including any amendments thereto.

(g) "Board" means the Board of Directors of the Company.

(h) "Cause" means, with respect to the termination by the Company or a Related Entity of the Grantee's Continuous Service, that such termination is for "Cause" as such term (or word of like import) is expressly defined in a then-effective written agreement between the Grantee and the Company or such Related Entity, or in the absence of such then-effective written agreement and definition, is based on, in the determination of the Administrator, the

Grantee's: (i) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or a Related Entity; (ii) dishonesty, intentional misconduct or material breach of any agreement with the Company or a Related Entity; or (iii) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; provided, however, that with regard to any agreement that defines "Cause" on the occurrence of or in connection with a Corporate Transaction, such definition of "Cause" shall not apply until a Corporate Transaction actually occurs.

(i) "Code" means the Internal Revenue Code of 1986, as amended.

(j) "Committee" means any committee composed of members of the Board appointed by the Board to administer the Plan.

(k) "Common Stock" means the Company's Common Stock.

(l) "Company" means Coronado Biosciences, Inc., a Delaware corporation, or any successor entity that adopts the Plan in connection with a Corporate Transaction.

(m) "Consultant" means any person (other than an Employee or a Director, solely with respect to rendering services in such person's capacity as a Director) who is engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

(n) "Continuous Service" means that the provision of services to the Company or a Related Entity in any capacity of Employee, Director or Consultant is not interrupted or terminated. In jurisdictions requiring notice in advance of an effective termination as an Employee, Director or Consultant, Continuous Service shall be deemed terminated upon the actual cessation of providing services to the Company or a Related Entity notwithstanding any required notice period that must be fulfilled before a termination as an Employee, Director or Consultant can be effective under Applicable Laws. A Grantee's Continuous Service shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Grantee provides services ceasing to be a Related Entity. Continuous Service shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers among the Company, any Related Entity, or any successor, in any capacity of Employee, Director or Consultant, or (iii) any change in status as long as the individual remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant (except as otherwise provided in the Award Agreement). An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave. For purposes of each Incentive Stock Option granted under the Plan, if such leave exceeds three (3) months, and reemployment upon expiration of such leave is not guaranteed by statute or contract, then the Incentive Stock Option shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following the expiration of such three (3) month period.

(o) [RESERVED]

(p) "Corporate Transaction" means any of the following transactions, provided, however, that the Administrator shall determine under parts (iv) and (v) whether multiple transactions are related, and its determination shall be final, binding and conclusive:

(i) a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the shares of Common Stock outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or

(v) acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.

(q) "Covered Employee" means an Employee who is a "covered employee" under Section 162(m)(3) of the Code.

(r) "Director" means a member of the Board or the board of directors of any Related Entity.

(s) "Disability" means as defined under the long-term disability policy of the Company or the Related Entity to which the Grantee provides services regardless of whether the Grantee is covered by such policy. If the Company or the Related Entity to which the Grantee provides service does not have a long-term disability plan in place, "Disability" means that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

(t) "Dividend Equivalent Right" means a right entitling the Grantee to compensation measured by dividends paid with respect to Common Stock.

(u) "Employee" means any person, including an Officer or Director, who is in the employ of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a director's fee by the Company or a Related Entity shall not be sufficient to constitute "employment" by the Company.

(v) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(w) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the Common Stock is listed (as determined by the Administrator) on the date of determination (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer, its Fair Market Value shall be the closing sales price for such stock as quoted on such system or by such securities dealer on the date of determination, but if selling prices are not reported, the Fair Market Value of a share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in a manner in compliance with Section 409A of the Code, or in the case of an Incentive Stock Option, in a manner in compliance with Section 422 of the Code.

(x) "Grantee" means an Employee, Director or Consultant who receives an Award under the Plan.

(y) "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, including adoptive relationships, any person sharing the Grantee's household (other than a tenant or employee), a trust in which these persons (or the Grantee) have more than fifty percent (50%) of the beneficial interest, a foundation in which these persons (or the Grantee) control the management of assets, and any other entity in which these persons (or the Grantee) own more than fifty percent (50%) of the voting interests.

(z) "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(aa) "Non-Qualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

(bb) "Officer" means a person who is an officer of the Company or a Related Entity within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(cc) "Option" means an option to purchase Shares pursuant to an Award Agreement granted under the Plan.

(dd) "Parent" means a "parent corporation", whether now or hereafter existing, as defined in Section 424(e) of the Code.

(ee) "Performance-Based Compensation" means compensation qualifying as "performance-based compensation" under Section 162(m) of the Code.

(ff) "Plan" means this Coronado Biosciences, Inc. 2007 Stock Incentive Plan.

(gg) "Post-Termination Exercise Period" means the period specified in the Award Agreement of not less than thirty (30) days commencing on the date of termination (other than termination by the Company or any Related Entity for Cause) of the Grantee's Continuous Service, or such longer period as may be applicable upon death or Disability.

(hh) "Registration Date" means the first to occur of (i) the closing of the first sale to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, of (A) the Common Stock or (B) the same class of securities of a successor corporation (or its Parent) issued pursuant to a Corporate Transaction in exchange for or in substitution of the Common Stock; (ii) in the event of a Corporate Transaction, the date of the consummation of the Corporate Transaction if the same class of securities of the successor corporation (or its Parent) issuable in such Corporate Transaction shall have been sold to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or prior to the date of consummation of such Corporate Transaction; or (iii) the date that the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act.

(ii) "Related Entity" means any Parent or Subsidiary of the Company or any person, entity or third party that directly, or indirectly through one of more intermediaries, controls, or is controlled by, or is under common control with, Lindsay A. Rosenwald, M.D. and/or Paramount Biosciences, LLC, a New York limited liability company.

(jj) "Replaced" means that pursuant to a Corporate Transaction the Award is replaced with a comparable stock award or a cash incentive program of the Company, the successor entity (if applicable) or Parent of either of them which preserves the compensation element of such Award existing at the time of the Corporate Transaction and provides for subsequent payout in accordance with the same (or a more favorable) vesting schedule applicable to such Award. The determination of Award comparability shall be made by the Administrator and its determination shall be final, binding and conclusive.

(kk) "Restricted Stock" means Shares issued under the Plan to the Grantee for such consideration, if any, and subject to such restrictions on transfer, rights of first refusal, repurchase provisions, forfeiture provisions, and other terms and conditions as established by the Administrator.

(ll) "Restricted Stock Units" means an Award which may be earned in whole or in part upon the passage of time or the attainment of performance criteria established by the Administrator and which may be settled for cash, Shares or other securities or a combination of cash, Shares or other securities as established by the Administrator.

(mm) "Rule 16b-3" means Rule 16b-3 promulgated under the Exchange Act or any successor thereto.

(nn) "SAR" means a stock appreciation right entitling the Grantee to Shares or cash compensation, as established by the Administrator, measured by appreciation in the value of Common Stock.

(oo) "Share" means a share of the Common Stock.

(pp) "Subsidiary" means a "subsidiary corporation", whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan.

(a) Subject to the provisions of Section 10 below, the maximum aggregate number of Shares which may be issued pursuant to all Awards (including Incentive Stock Options) is 6,000,000 Shares. The Shares may be authorized, but unissued, or reacquired Common Stock.

(b) Any Shares covered by an Award (or portion of an Award) which is forfeited, canceled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Plan, except that the maximum aggregate number of Shares which may be issued pursuant to the exercise of Incentive Stock Options shall not exceed the number specified in Section 3(a). Shares that actually have been issued under the Plan pursuant to an Award shall not be returned to the Plan and shall not become available for future issuance under the Plan, except that if unvested Shares are forfeited or repurchased by the Company, such Shares shall become available for future grant under the Plan. To the extent not prohibited by the listing requirements of The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC (or other established stock

exchange or national market system on which the Common Stock is traded) and Applicable Law, any Shares covered by an Award which are surrendered (i) in payment of the Award exercise or purchase price or (ii) in satisfaction of tax withholding obligations incident to the exercise of an Award shall be deemed not to have been issued for purposes of determining the maximum number of Shares which may be issued pursuant to all Awards under the Plan, unless otherwise determined by the Administrator.

4. Administration of the Plan.

(a) Plan Administrator.

(i) Administration with Respect to Directors and Officers. Prior to the Registration Date, with respect to grants of Awards to Directors or Employees who are also Officers or Directors of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws. On or after the Registration Date, with respect to grants of Awards to Directors or Employees who are also Officers or Directors of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws and to permit such grants and related transactions under the Plan to be exempt from Section 16(b) of the Exchange Act in accordance with Rule 16b-3. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board.

(ii) Administration With Respect to Consultants and Other Employees. With respect to grants of Awards to Employees or Consultants who are neither Directors nor Officers of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board.

(iii) Administration With Respect to Covered Employees. Notwithstanding the foregoing, as of and after the date that the exemption for the Plan under Section 162(m) of the Code expires, as set forth in Section 20 below, grants of Awards to any Covered Employee intended to qualify as Performance-Based Compensation shall be made only by a Committee (or subcommittee of a Committee) which is comprised solely of two or more Directors eligible to serve on a committee making Awards qualifying as Performance-Based Compensation. In the case of such Awards granted to Covered Employees, references to the "Administrator" or to a "Committee" shall be deemed to be references to such Committee or subcommittee.

(b) Multiple Administrative Bodies. The Plan may be administered by different bodies with respect to Directors, Officers, Consultants, and Employees who are neither Directors nor Officers.

(c) Powers of the Administrator. Subject to Applicable Laws and the provisions of the Plan (including any other powers given to the Administrator hereunder), and except as otherwise provided by the Board, the Administrator shall have the authority, in its discretion:

(i) to select the Employees, Directors and Consultants to whom Awards may be granted from time to time hereunder;

(ii) to determine whether and to what extent Awards are granted hereunder;

(iii) to determine the number of Shares or the amount of other consideration to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions of any Award granted hereunder;

(vi) to establish additional terms, conditions, rules or procedures to accommodate the rules or laws of applicable non-U.S. jurisdictions and to afford Grantees favorable treatment under such rules or laws; provided, however, that no Award shall be granted under any such additional terms, conditions, rules or procedures with terms or conditions which are inconsistent with the provisions of the Plan;

(vii) to amend the terms of any outstanding Award granted under the Plan, provided that any amendment that would adversely affect the Grantee's rights under an outstanding Award shall not be made without the Grantee's written consent; provided, however, that an amendment or modification that may cause an Incentive Stock Option to become a Non-Qualified Stock Option shall not be treated as adversely affecting the rights of the Grantee;

(viii) to construe and interpret the terms of the Plan and Awards, including without limitation, any notice of award or Award Agreement, granted pursuant to the Plan;

(ix) To effect, at any time and from time to time, with the consent of any adversely affected Grantee, (1) the reduction of the exercise price of any outstanding Option or SAR, (2) the cancellation of any outstanding Option or SAR and the grant in substitution therefor of (A) a new Option or SAR under the Plan or another equity plan of the Company covering the same or a different number of shares of Common Stock, (B) Restricted Stock, (C) Restricted Stock Units, (D) other rights or benefits under the Plan, (E) cash and/or (F) other valuable consideration (as determined by the Administrator, in its sole discretion), or (3) any other action that is treated as a repricing under generally accepted accounting principles; provided, however, that no such reduction or cancellation may be effected if it is determined, in the Administrator's sole discretion, that such reduction or cancellation would result in any such outstanding Option or SAR becoming subject to the requirements of Section 409A of the Code; and

(x) to take such other action, not inconsistent with the terms of the Plan, as the Administrator deems appropriate.

The express grant in the Plan of any specific power to the Administrator shall not be construed as limiting any power or authority of the Administrator; provided that the Administrator may not exercise any right or power reserved to the Board. Any decision made, or action taken, by the Administrator or in connection with the administration of this Plan shall be final, conclusive and binding on all persons having an interest in the Plan.

(d) Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or as Officers or Employees of the Company or a Related Entity, members of the Board and any Officers or Employees of the Company or a Related Entity to whom authority to act for the Board, the Administrator or the Company is delegated shall be defended and indemnified by the Company to the extent permitted by law on an after-tax basis against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Award granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct; provided, however, that within thirty (30) days after the institution of such claim, investigation, action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at the Company's expense to defend the same.

5. Eligibility. Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants. Incentive Stock Options may be granted only to Employees of the Company or a Parent or a Subsidiary of the Company. An Employee, Director or Consultant who has been granted an Award may, if otherwise eligible, be granted additional Awards. Awards may be granted to such Employees, Directors or Consultants who are residing in non-U.S. jurisdictions as the Administrator may determine from time to time.

6. Terms and Conditions of Awards.

(a) Types of Awards. The Administrator is authorized under the Plan to award any type of arrangement to an Employee, Director or Consultant that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) cash or (iii) an Option, a SAR, or similar right with a fixed or variable price related to the Fair Market Value of the Shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions. Such awards include, without limitation, Options, SARs, sales or bonuses of Restricted Stock, Restricted Stock Units or Dividend Equivalent Rights, and an Award may consist of one such security or benefit, or two (2) or more of them in any combination or alternative.

(b) Designation of Award. Each Award shall be designated in the Award Agreement. In the case of an Option, the Option shall be designated as either an Incentive Stock Option or a Non-Qualified Stock Option. However, notwithstanding such designation, an Option

will qualify as an Incentive Stock Option under the Code only to the extent the $100,000 dollar limitation of Section 422(d) of the Code is not exceeded. The $100,000 limitation of Section 422(d) of the Code is calculated based on the aggregate Fair Market Value of the Shares subject to Options designated as Incentive Stock Options which become exercisable for the first time by a Grantee during any calendar year (under all plans of the Company or any Parent or Subsidiary of the Company). For purposes of this calculation, Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares shall be determined as of the grant date of the relevant Option.

(c) Conditions of Award. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Award including, but not limited to, the Award vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, or other consideration) upon settlement of the Award, payment contingencies, and satisfaction of any performance criteria. The performance criteria established by the Administrator may be based on any one of, or combination of, increase in share price, earnings per share, total shareholder return, return on equity, return on assets, return on investment, net operating income, cash flow, revenue, economic value added, personal management objectives, or other measure of performance selected by the Administrator. Partial achievement of the specified criteria may result in a payment or vesting corresponding to the degree of achievement as specified in the Award Agreement.

(d) Acquisitions and Other Transactions. The Administrator may issue Awards under the Plan in settlement, assumption or substitution for, outstanding awards or obligations to grant future awards in connection with the Company or a Related Entity acquiring another entity, an interest in another entity or an additional interest in a Related Entity whether by merger, stock purchase, asset purchase or other form of transaction.

(e) Deferral of Award Payment. The Administrator may establish one or more programs under the Plan to permit selected Grantees the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Grantee to payment or receipt of Shares or other consideration under an Award. The Administrator may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Administrator deems advisable for the administration of any such deferral program.

(f) Separate Programs. The Administrator may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Grantees on such terms and conditions as determined by the Administrator from time to time.

(g) Individual Option and SAR Limit. Following the date that the exemption from application of Section 162(m) of the Code described in Section 20 (or any exemption having similar effect) ceases to apply to Awards, the maximum number of Shares with respect to which Options and SARs may be granted to any Grantee in any calendar year shall be one million (1,000,000) Shares. In connection with a Grantee's commencement of Continuous

Service, a Grantee may be granted Options and SARs for up to an additional five hundred thousand (500,000) Shares which shall not count against the limit set forth in the previous sentence. The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization pursuant to Section 10, below. To the extent required by Section 162(m) of the Code or the regulations thereunder, in applying the foregoing limitations with respect to a Grantee, if any Option or SAR is canceled, the canceled Option or SAR shall continue to count against the maximum number of Shares with respect to which Options and SARs may be granted to the Grantee. For this purpose, the repricing of an Option (or in the case of a SAR, the base amount on which the stock appreciation is calculated is reduced to reflect a reduction in the Fair Market Value of the Common Stock) shall be treated as the cancellation of the existing Option or SAR and the grant of a new Option or SAR.

(h) Early Exercise. The Award Agreement may, but need not, include a provision whereby the Grantee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Award prior to full vesting of the Award. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or a Related Entity or to any other restriction the Administrator determines to be appropriate.

(i) Term of Award. The term of each Award shall be the term stated in the Award Agreement, provided, however, that the term shall be no more than ten (10) years from the date of grant thereof. However, in the case of an Incentive Stock Option granted to a Grantee who, at the time the Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the term of the Incentive Stock Option shall be five (5) years from the date of grant thereof or such shorter term as may be provided in the Award Agreement. Notwithstanding the foregoing, the specified term of any Award shall not include any period for which the Grantee has elected to defer the receipt of the Shares or cash issuable pursuant to the Award.

(j) Transferability of Awards. Incentive Stock Options may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution and may be exercised, during the lifetime of the Grantee, only by the Grantee. Other Awards shall be transferable (i) by will and by the laws of descent and distribution and (ii) during the lifetime of the Grantee, to the extent and in the manner authorized by the Administrator by gift or pursuant to a domestic relations order to members of the Grantee's Immediate Family. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Award in the event of the Grantee's death on a beneficiary designation form provided by the Administrator.

(k) Time of Granting Awards. The date of grant of an Award shall for all purposes be the date on which the Administrator makes the determination to grant such Award, or such other later date as is determined by the Administrator.

(l) Compliance with Section 409A of the Code. Notwithstanding anything to the contrary set forth herein, any Award that is not exempt from the requirements of Section 409A of the Code shall contain such provisions so that such Award will comply with the requirements of Section 409A of the Code. Such restrictions, if any, shall be determined by the Administrator and contained in the Award Agreement evidencing such Award.

7. Award Exercise or Purchase Price, Consideration and Taxes.

(a) Exercise or Purchase Price. The exercise or purchase price, if any, for an Award shall be as follows:

(i) In the case of an Incentive Stock Option:

(A) granted to an Employee who, at the time of the grant of such Incentive Stock Option owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the per Share exercise price shall be not less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant; or

(B) granted to any Employee other than an Employee described in the preceding paragraph, the per Share exercise price shall be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Non-Qualified Stock Option, the per Share exercise price shall be not less than one-hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(iii) In the case of Awards intended to qualify as Performance-Based Compensation, the exercise or purchase price, if any, shall be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(iv) In the case of other Awards, such price as is determined by the Administrator.

(v) Notwithstanding the foregoing provisions of this Section 7(a), in the case of an Award issued pursuant to Section 6(d), above, the exercise or purchase price for the Award shall be determined in accordance with the provisions of the relevant instrument evidencing the agreement to issue such Award.

(b) Consideration. Subject to Applicable Laws, the consideration to be paid for the Shares to be issued upon exercise or purchase of an Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued under the Plan the following:

(i) cash;

(ii) check;

(iii) delivery of Grantee's promissory note with such recourse, interest, security, and redemption provisions as the Administrator determines as appropriate (but only to the extent that the acceptance or terms of the promissory note would not violate an Applicable Law); provided, however, that interest shall compound at least annually and shall be charged at the minimum rate of interest necessary to avoid (i) the imputation of interest income to the Company and compensation income to the Grantee under any applicable provisions of the Code, and (B) the classification of the Award as a liability for financial accounting purposes;

(iv) surrender of Shares or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate exercise price of the Shares as to which said Award shall be exercised;

(v) with respect to Options, if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (A) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (B) shall provide written directives to the Company to deliver the certificates (or other evidence satisfactory to the Company to the extent that the Shares are uncertificated) for the purchased Shares directly to such brokerage firm in order to complete the sale transaction;

(vi) with respect to Options, payment through a "net exercise" such that, without the payment of any funds, the Grantee may exercise the Option and receive the net number of Shares equal to (i) the number of Shares as to which the Option is being exercised, multiplied by (ii) a fraction, the numerator of which is the Fair Market Value per Share (on such date as is determined by the Administrator) less the Exercise Price per Share, and the denominator of which is such Fair Market Value per Share;

(vii) past or future services actually or to be rendered to the Company or a Related Entity; or

(viii) any combination of the foregoing methods of payment.

The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of Award Agreement described in Section 4(c)(iv), or by other means, grant Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

(c) Taxes. No Shares shall be delivered under the Plan to any Grantee or other person until such Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of any non-U.S., federal, state, or local income and employment tax withholding obligations, including, without limitation, obligations incident to the receipt of Shares. Upon exercise or vesting of an Award the Company shall withhold or collect from Grantee an amount sufficient to satisfy such tax obligations, including, but not limited too, by surrender of the whole number of Shares covered by the Award sufficient to satisfy the minimum applicable tax withholding obligations incident to the exercise or vesting of an Award.

8. Exercise of Award.

(a) Procedure for Exercise; Rights as a Shareholder.

(i) Any Award granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator under the terms of the Plan and specified in the Award Agreement.

(ii) An Award shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Award by the person entitled to exercise the Award and full payment for the Shares with respect to which the Award is exercised has been made, including, to the extent selected, use of the broker-dealer sale and remittance procedure to pay the purchase price as provided in Section 7(b)(v).

(b) Exercise of Award Following Termination of Continuous Service. In the event of termination of a Grantee's Continuous Service for any reason other than Disability or death (but not in the event of a Grantee's change of status from Employee to Consultant or from Consultant to Employee), such Grantee may, but only during the Post-Termination Exercise Period (but in no event later than the expiration date of the term of such Award as set forth in the Award Agreement), exercise the portion of the Grantee's Award that was vested at the date of such termination or such other portion of the Grantee's Award as may be determined by the Administrator. The Grantee's Award Agreement may provide that upon the termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Award shall terminate concurrently with the termination of Grantee's Continuous Service. In the event of a Grantee's change of status from Employee to Consultant, an Employee's Incentive Stock Option shall convert automatically to a Non-Qualified Stock Option on the day three (3) months and one day following such change of status. To the extent that the Grantee's Award was unvested at the date of termination, or if the Grantee does not exercise the vested portion of the Grantee's Award within the Post-Termination Exercise Period, the Award shall terminate.

(c) Disability of Grantee. In the event of termination of a Grantee's Continuous Service as a result of his or her Disability, such Grantee may, but only within twelve (12) months from the date of such termination (or such longer period as specified in the Award Agreement but in no event later than the expiration date of the term of such Award as set forth in the Award Agreement), exercise the portion of the Grantee's Award that was vested at the date of such termination; provided, however, that if such Disability is not a "disability" as such term is defined in Section 22(e)(3) of the Code, in the case of an Incentive Stock Option such Incentive Stock Option shall automatically convert to a Non-Qualified Stock Option on the day three (3) months and one day following such termination. To the extent that the Grantee's Award was unvested at the date of termination, or if Grantee does not exercise the vested portion of the Grantee's Award within the time specified herein, the Award shall terminate.

(d) Death of Grantee. In the event of a termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the death of the Grantee during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the Grantee's estate or a person who acquired the right to exercise the Award by bequest or inheritance may

exercise the portion of the Grantee's Award that was vested as of the date of termination, within twelve (12) months from the date of death (or such longer period as specified in the Award Agreement but in no event later than the expiration of the term of such Award as set forth in the Award Agreement). To the extent that, at the time of death, the Grantee's Award was unvested, or if the Grantee's estate or a person who acquired the right to exercise the Award by bequest or inheritance does not exercise the vested portion of the Grantee's Award within the time specified herein, the Award shall terminate.

(e) Extension if Exercise Prevented by Law. Notwithstanding the foregoing, if the exercise of an Award within the applicable time periods set forth in this Section 8 is prevented by the provisions of Section 9 below, the Award shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Award is exercisable, but in any event no later than the expiration of the term of such Award as set forth in the Award Agreement.

9. Conditions Upon Issuance of Shares.

(a) If at any time the Administrator determines that the delivery of Shares pursuant to the exercise, vesting or any other provision of an Award is or may be unlawful under Applicable Laws, the vesting or right to exercise an Award or to otherwise receive Shares pursuant to the terms of an Award shall be suspended until the Administrator determines that such delivery is lawful and shall be further subject to the approval of counsel for the Company with respect to such compliance. The Company shall have no obligation to effect any registration or qualification of the Shares under federal or state laws.

(b) As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any Applicable Laws.

10. Changes in Capitalization.

(a) Adjustments. Subject to any required action by the shareholders of the Company, the number of Shares covered by each outstanding Award, and the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan, the exercise or purchase price of each such outstanding Award, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for (i) any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, combination or reclassification of the Shares, or similar transaction affecting the Shares, (ii) any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company, or (iii) any other transaction with respect to the Company's Common Stock including a corporate merger, consolidation, acquisition of property or stock, separation (including a spin-off or other distribution of stock or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of

consideration." Such adjustment shall be made by the Administrator and its determination shall be final, binding and conclusive. Except as the Administrator determines, no issuance by the Company of shares of stock of any class, or securities convertible into shares of stock of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to an Award.

(b) [RESERVED]

11. Corporate Transactions.

(a) Termination of Award to Extent Not Assumed in Corporate Transaction. Effective upon the consummation of a Corporate Transaction, all outstanding Awards under the Plan shall terminate. However, all such Awards shall not terminate to the extent they are Assumed in connection with the Corporate Transaction.

(b) Acceleration of Award Upon Corporate Transaction. The Administrator shall have the authority, exercisable either in advance of any actual or anticipated Corporate Transaction or Change in Control or at the time of an actual Corporate Transaction or Change in Control and exercisable at the time of the grant of an Award under the Plan or any time while an Award remains outstanding, to provide for the full or partial automatic vesting and exercisability of one or more outstanding unvested Awards under the Plan and the release from restrictions on transfer and repurchase or forfeiture rights of such Awards in connection with a Corporate Transaction or Change in Control, on such terms and conditions as the Administrator may specify. The Administrator also shall have the authority to condition any such Award vesting and exercisability or release from such limitations upon the subsequent termination of the Continuous Service of the Grantee within a specified period following the effective date of the Corporate Transaction or Change in Control. The Administrator may provide that any Awards so vested or released from such limitations in connection with a Change in Control, shall remain fully exercisable until the expiration or sooner termination of the Award.

(c) Effect of Acceleration on Incentive Stock Options. Any Incentive Stock Option accelerated under this Section 11 in connection with a Corporate Transaction or Change in Control shall remain exercisable as an Incentive Stock Option under the Code only to the extent the $100,000 dollar limitation of Section 422(d) of the Code is not exceeded.

12. Repurchase Rights. If the provisions of an Award Agreement grant to the Company the right to repurchase Shares upon termination of the Grantee's Continuous Service, the Award Agreement shall (or may, with respect to Awards granted or issued to Officers, Directors or Consultants) provide that:

(a) the right to repurchase must be exercised, if at all, within one (1) year of the termination of the Grantee's Continuous Service (or in the case of Shares issued upon exercise of Awards after the date of termination of the Grantee's Continuous Service, within one (1) year after the date of the Award exercise);

(b) the consideration payable for the Shares upon exercise of such repurchase right shall be made in cash or by cancellation of purchase money indebtedness within the one (1) year periods specified in Section 12(a);

(c) the amount of such consideration shall be equal to the lower of: (i) the original purchase price paid by Grantee for each such Share, or (ii) the Fair Market Value of the Shares on the date of repurchase; and

(d) the right to repurchase Shares, other than a right to repurchase under which Shares may be repurchased at the lower of: (i) the original purchase price, or (ii) the Fair Market Value on the date of repurchase shall terminate on the date that the Common Stock is (i) listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC or (ii) regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer.

13. Effective Date and Term of Plan. The Plan shall become effective upon the earlier to occur of its adoption by the Board or its approval by the shareholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated. Subject to Section 18 below, and Applicable Laws, Awards may be granted under the Plan upon its becoming effective.

14. Amendment, Suspension or Termination of the Plan.

(a) The Board may at any time amend, suspend or terminate the Plan. To the extent necessary to comply with Applicable Laws, the Company shall obtain shareholder approval of any Plan amendment in such a manner and to such a degree as required.

(b) No Award may be granted during any suspension of the Plan or after termination of the Plan.

(c) No suspension or termination of the Plan (including termination of the Plan under Section 13, above) shall adversely affect any rights under Awards already granted to a Grantee.

15. Reservation of Shares.

(a) The Company, during the term of the Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

(b) The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

16. No Effect on Terms of Employment/Consulting Relationship. The Plan shall not confer upon any Grantee any right with respect to the Grantee's Continuous Service, nor shall it interfere in any way with his or her right or the right of the Company or a Related Entity to terminate the Grantee's Continuous Service at any time, with or without Cause, and with or without notice. The ability of the Company or any Related Entity to terminate the employment of a Grantee who is employed at will is in no way affected by its determination that the Grantee's Continuous Service has been terminated for Cause for the purposes of this Plan.

17. No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Related Entity, Awards shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Related Entity, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Retirement Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

18. Shareholder Approval. Continuance of the Plan shall be subject to approval by the shareholders of the Company within twelve (12) months before or after the date the Plan is adopted. Such shareholder approval shall be obtained in the degree and manner required under Applicable Laws. Any Award exercised before shareholder approval is obtained shall be rescinded if shareholder approval is not obtained within the time prescribed, and Shares issued on the exercise of any such Award shall not be counted in determining whether shareholder approval is obtained.

19. Information to Grantees. The Company shall provide to each Grantee, during the period for which such Grantee has one or more Awards outstanding, such information as required by Rule 701(e) promulgated under the Securities Act of 1933, as amended.

20. Effect of Section 162(m) of the Code. Section 162(m) of the Code does not apply to the Plan prior to the Registration Date or such earlier time that the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act. Following the Registration Date or such earlier time that the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act, the Plan, and all Awards (except Awards of Restricted Stock that vest over time) issued thereunder, are intended to be exempt from the application of Section 162(m) of the Code, which restricts under certain circumstances the Federal income tax deduction for compensation paid by a public company to named executives in excess of $1 million per year. The exemption is based on Treasury Regulation Section 1.162-27(f), in the form existing on the effective date of the Plan, with the understanding that such regulation generally exempts from the application of Section 162(m) of the Code compensation paid pursuant to a plan that existed before a company becomes publicly held. Under such Treasury Regulation, this exemption is available to the Plan for the duration of the period that lasts until the earliest of (i) the expiration of the Plan, (ii) the material modification of the Plan, (iii) the exhaustion of the maximum number of shares of Common Stock available for Awards under the Plan, as set forth in Section 3(a), (iv) the first meeting of shareholders at which directors are to be elected that occurs after the close of the third calendar year following the calendar year in which the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act, or (v) such other date required by Section 162(m) of the Code and the rules and regulations promulgated thereunder. To the extent that the Administrator determines as of the date of grant of an Award that (i) the Award is intended to qualify as Performance-Based Compensation and (ii) the exemption described above is no longer available with respect to such Award, such Award shall not be effective until any shareholder approval required under Section 162(m) of the Code has been obtained.

21. Compliance with Section 409A. To the extent that the Administrator determines that any Award granted hereunder is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued or amended after the effective date of the Plan. Notwithstanding any provision of the Plan to the contrary, in the event that following the effective date of the Plan the Administrator determines that any Award may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the effective date of the Plan), the Administrator may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (1) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (2) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance.

22. Unfunded Obligation. Grantees shall have the status of general unsecured creditors of the Company. Any amounts payable to Grantees pursuant to the Plan shall be unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974, as amended. Neither the Company nor any Related Entity shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Grantee account shall not create or constitute a trust or fiduciary relationship between the Administrator, the Company or any Related Entity and a Grantee, or otherwise create any vested or beneficial interest in any Grantee or the Grantee's creditors in any assets of the Company or a Related Entity. The Grantees shall have no claim against the Company or any Related Entity for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan.

23. Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

Exhibit 10.9

CORONADO BIOSCIENCES, INC.
2007 STOCK INCENTIVE PLAN

AWARD AGREEMENT
(INCENTIVE STOCK OPTION OR NON-QUALIFIED STOCK OPTION)

Pursuant to this Award Agreement, which includes your Stock Option Grant Notice ("***Grant Notice***"), Coronado Biosciences, Inc. (the "***Company***") has granted you an option under its 2007 Stock Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. Defined terms not explicitly defined in this Award Agreement but defined in the Plan shall have the same definitions as in the Plan.

The details of your option are as follows:

1. VESTING. Subject to the limitations contained herein, your option will vest as provided in your Grant Notice, provided that vesting will cease upon the termination of your Continuous Service.

2. NUMBER OF SHARES AND EXERCISE PRICE. The number of shares of Common Stock subject to your option and your exercise price per share referenced in your Grant Notice may be adjusted from time to time for changes in the Company's capitalization as provided in Section 10(a) of the Plan.

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. In the event that you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (*i.e.*, a "***Non-Exempt Employee***"), you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant specified in your Grant Notice, notwithstanding any other provision of your option.

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

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

(b) any shares of Common Stock so purchased from installments that have not vested as of the date of exercise shall be subject to a repurchase right in favor of the Company or a Related Entity as described in an early exercise stock purchase agreement;

(c) you shall enter into an early exercise stock purchase agreement with a vesting schedule that will result in the same vesting as if no early exercise had occurred; and

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

5. METHOD OF PAYMENT. Payment of the exercise price is due in full upon exercise of all or any part of your option. You may elect to make payment of the exercise price in cash or by check or in any other manner ***permitted by your Grant Notice***, which may include one or more of the following:

(a) provided that at the time of exercise the Common Stock is publicly traded, pursuant to a program developed under Regulation T as promulgated by the Federal Reserve Board that, prior to the issuance of Common Stock, results in either the receipt of cash (or check) by the Company or the receipt of irrevocable instructions to pay the aggregate exercise price to the Company from the sales proceeds;

(b) provided that at the time of exercise the Common Stock is publicly traded, by delivery to the Company (either by actual delivery or attestation) of already-owned shares of Common Stock that are owned free and clear of any liens, claims, encumbrances or security interests, and that are valued at Fair Market Value on the date of exercise; notwithstanding the foregoing, you may not exercise your option by tender to the Company of Common Stock to the extent such tender would violate the provisions of any law, regulation or agreement restricting the redemption of the Company's stock;

(c) if your option is a Non-Qualified Stock Option, by a "net exercise" arrangement pursuant to which the Company will reduce the number of shares of Common Stock issued upon exercise of your option by the largest whole number of shares with a Fair Market Value that does not exceed the aggregate exercise price; *provided, however*, that the Company shall accept a cash or other payment from you to the extent of any remaining balance of the aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued; *provided further, however*, that shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter to the extent that (1) shares are used to pay the exercise price pursuant to the "net exercise," (2) shares are delivered to you as a result of such exercise, and (3) shares are withheld to satisfy tax withholding obligations; or

(d) pursuant to the following promissory note alternative:

(i) not less than one hundred percent (100%) of the aggregate exercise price, plus accrued interest, shall be due four (4) years from date of exercise or, at the Company's election, upon termination of your Continuous Service;

(ii) interest shall be compounded at least annually and shall be charged at the minimum rate of interest necessary to avoid (1) the treatment as interest, under any applicable provisions of the Code, of any amounts other than amounts stated to be interest under the deferred payment arrangement and (2) the classification of your option as a liability for financial accounting purposes; and

(iii) in order to elect the promissory note alternative, you must, as a part of your written notice of exercise, give notice of the election of this payment alternative and, in order to secure the payment of the deferred exercise price to the Company hereunder, if the Company so requests, you must tender to the Company a promissory note and a pledge agreement covering the purchased shares of Common Stock, both in form and substance satisfactory to the Company, or such other or additional documentation as the Company may request.

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

7. SECURITIES LAW COMPLIANCE. Notwithstanding anything to the contrary contained herein, you may not exercise your option unless the shares of Common Stock issuable upon such exercise are then registered under the Securities Act of 1933, as amended (the "***Securities Act***") or, if such shares of Common Stock are not then so registered, the Company has determined that such exercise and issuance would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations.

8. TERM. You may not exercise your option before the commencement of its term or after its term expires. The term of your option commences on the Date of Grant and expires upon the earliest of the following:

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

(b) three (3) months after the termination of your Continuous Service for any reason other than Cause, Disability or death; *provided however*, that if during any part of such three (3) month period you may not exercise your option solely because of the condition set forth in the preceding section relating to "Securities Law Compliance," your option shall not expire until the earlier of the Expiration Date indicated in your Grant Notice or until it shall have been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided, further*, that in the event you die within three (3) months after the termination of your Continuous Service for any reason other than Cause or Disability, your option shall not expire until the earlier of the Expiration Date or until it shall have been exercisable for an aggregate period of twelve (12) months after your death;

(c) twelve (12) months after the termination of your Continuous Service due to your Disability; *provided, however,* that in the event you die within such twelve (12) month period after the termination of your Continuous Service due to your Disability, your option shall not expire until the earlier of the Expiration Date or until it shall have been exercisable for an aggregate period of twelve (12) months after your death;

(d) twelve (12) months after the termination of your Continuous Service due to your death;

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

(f) the day before the tenth (10th) anniversary of the Date of Grant; *provided, however*, in the case of an Incentive Stock Option granted to you, if at the time the option is granted, you own stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the option shall expire the day before the fifth (5th) anniversary of the Date of Grant.

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the date of grant of your option and ending on the day three (3) months before the date of your option's exercise, you must be an employee of the Company or an Affiliate, except in the event of your death or your permanent and total disability, as defined in Section 22(e)(3) of the Code. (The definition of disability in Section 22(e)(3) of the Code may be different from the definition of the Disability under the Plan). The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (3) months after the date your employment with the Company or an Affiliate terminates.

9. EXERCISE.

(a) You may exercise the vested portion of your option (and the unvested portion of your option if your Grant Notice so permits) during its term by delivering a Notice of Exercise (in a form designated by the Company) together with the exercise price to the Secretary of the Company, or to such other person as the Company may designate, during regular business hours, together with such additional documents as the Company may then require.

(b) By exercising your option you agree that, as a condition to any exercise of your option, the Company may require you to enter into an arrangement providing for the payment by you to the Company of any tax withholding obligation of the Company arising by reason of (1) the exercise of your option, (2) the lapse of any substantial risk of forfeiture to which the shares of Common Stock are subject at the time of exercise, or (3) the disposition of shares of Common Stock acquired upon such exercise.

(c) If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within fifteen (15) days after the date of any disposition of any of the shares of the Common Stock issued upon exercise of your option that occurs within two (2) years after the date of your option grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

(d) By exercising your option you agree that you shall not sell, dispose of, transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, any shares of Common Stock or

other securities of the Company held by you, for a period of one hundred eighty (180) days following the effective date of a registration statement of the Company filed under the Securities Act or such longer period as necessary to permit compliance with NASD Rule 2711 or NYSE Member Rule 472 and similar rules and regulations (the "***Lock-Up Period***"); *provided, however*, that nothing contained in this section shall prevent the exercise of a repurchase option, if any, in favor of the Company during the Lock-Up Period. You further agree to execute and deliver such other agreements as may be reasonably requested by the Company and/or the underwriter(s) that are consistent with the foregoing or that are necessary to give further effect thereto. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to your shares of Common Stock until the end of such period. The underwriters of the Company's stock are intended third party beneficiaries of this Section 9(d) and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto.

10. TRANSFERABILITY. Your option is not transferable, except by will or by the laws of descent and distribution, and is exercisable during your life only by you. Notwithstanding the foregoing, by delivering written notice to the Company, in a form satisfactory to the Company, you may designate a third party who, in the event of your death, shall thereafter be entitled to exercise your option. In addition, if permitted by the Company you may transfer your option to a trust if you are considered to be the sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust, provided that you and the trustee enter into a transfer and other agreements required by the Company.

11. RIGHT OF FIRST REFUSAL. Shares of Common Stock that you acquire upon exercise of your option are subject to any right of first refusal that may be described in the Company's bylaws in effect at such time the Company elects to exercise its right; *provided, however,* that if your option is an Incentive Stock Option and the right of first refusal described in the Company's bylaws in effect at the time the Company elects to exercise its right is more beneficial to you than the right of first refusal described in the Company's bylaws on the Date of Grant, then the right of first refusal described in the Company's bylaws on the Date of Grant shall apply. The Company's right of first refusal shall expire on the first date upon which any security of the Company is listed (or approved for listing) upon notice of issuance on a national securities exchange or quotation system.

12. RIGHT OF REPURCHASE. To the extent provided in the Company's bylaws in effect at such time the Company elects to exercise its right, the Company shall have the right to repurchase all or any part of the shares of Common Stock you acquire pursuant to the exercise of your option.

13. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option shall be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option shall obligate the Company or an Affiliate, their respective stockholders, Boards of Directors, Officers or Employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

14. WITHHOLDING OBLIGATIONS.

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

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

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

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

16. NOTICES. Any notices provided for in your option or the Plan shall be given in writing and shall be deemed effectively given upon receipt or, in the case of notices delivered by mail by the Company to you, five (5) days after deposit in the United States mail, postage prepaid, addressed to you at the last address you provided to the Company.

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

Exhibit 10.10

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

EXCLUSIVE SUBLICENSE AGREEMENT

This Exclusive Sublicense Agreement (hereinafter referred to as this "Agreement"), effective as of this December 12, 2005 (the "Effective Date"), is entered into by and between Ovamed GbmH & Co KG, a corporation duly incorporated under the laws of Germany and having a principal place of business at Kiebitzhörn 33-35, 22885 Barsbüttel, Germany ("Ovamed") and Collingwood Pharmaceuticals, Inc., a corporation duly organized and existing under the laws of the State of Delaware having a principal place of business at 787 Seventh Avenue, 48th Floor, New York, New York 10019 (the "Company").

WHEREAS, under the patent policy of The University of Iowa ("UI"), all inventions and technology arising during the normal course of research and teaching at the UI are assigned and entrusted to the University of Iowa Research Foundation ("URIF") to obtain patent or other appropriate intellectual property protection and license said technology;

WHEREAS, UIRF is, therefore, owner by assignment from Joel Weinstock and David Elliott of their entire right, title and interest in United States Patent 6,764,838 and United States Patent Application Numbers 09/362,598; 10/715,659; 10/779,249; Canada Patent Application Number 2,315,790; Japanese Patent Application Number 2000-526233; Australia Patent Number 740776, all titled "Use of Parasitic Biological Agents for Prevention and Control of Autoimmune Diseases";

WHEREAS, Ovamed has entered into an Exclusive License Agreement with URIF under which Ovamed has obtained an exclusive license to the research, development and commercialization of intellectual property relating to the use of parasitic biological agents for the prevention and control of autoimmune diseases (the "Technology") as claimed in the Patent Rights (as defined below) in the Field (as defined below) in the Territory (as defined below) (the "License Agreement");

WHEREAS, the Company is interested in obtaining rights to the research, development and commercialization of intellectual property relating to the Technology as claimed in the Patent Rights (as defined below) in the Field (as defined below) in the Territory (as defined below);

WHEREAS, Ovamed is willing to grant such rights to the Company so that the Technology may be developed and the benefits enjoyed by the public;

NOW, THEREFORE, it is agreed as follows:

ARTICLE 1 – DEFINITIONS

For the purposes of this Agreement, the following words and phrases shall have the following meanings:

1.1 "Affiliate" shall mean, with respect to any Entity (as hereinafter defined), any Entity that directly or indirectly controls, is controlled by, or is under common Control with such Entity.

1.1.1 "Control" shall mean, for this purpose, direct or indirect control of more than fifty percent (50%) of the voting securities of an Entity or, if such Entity does not have outstanding voting securities, more than 50% of the directorships or similar positions with respect to such Entity.

1.1.2 "Entity" shall mean any corporation, association, joint venture, partnership, trust, university, business, individual, government or political subdivision thereof, including an agency, or any other organization that can exercise independent legal standing.

1.2 "Field" shall mean the prevention, treatment, cure or diagnosis of human diseases, with the exception of gastroenterology (*e.g.*, inflammatory bowel disease) and hepatology in Europe.

1.3 "Know-how" shall mean all tangible or intangible information (other than those contained in the Patent Rights) whether patentable or not (but which have not been patented) and physical objects related to the Licensed Product, including but not limited to formulations, biological samples, tissues, animals, organisms, compounds, intermediates, in vitro, preclinical or clinical design, other proprietary materials, processes, including but not limited to manufacturing processes, data, drawings and sketches and designs owned or controlled by Ovamed or which Ovamed has the right to disclose and license to the Company.

1.4 "Licensed Product(s)" shall mean any product that cannot be manufactured, used or sold, in whole or in part, without infringing one or more claims under Patent Rights in the country in which the product is made, used, leased, imported, offered for sale or sold.

1.5 "Licensed Process(es)" shall mean processes which, in the course of being practiced would, in the absence of this Agreement, infringe one or more claims of the Patent Rights.

1.6 "Net Sales" shall mean the total gross receipts for sales of Licensed Products or practice of Licensed Processes by or on behalf of the Company or its Affiliates or Company Sublicensees (as applicable), whether invoiced or not, less only the sum of the following: (a) usual trade discounts to customers; (b) sales, tariff duties and/or taxes directly imposed and with reference to particular sales; (c) amounts allowed or credited on returns or rejections; (d) bad debt deductions actually written off during the accounting period; (e) outbound transportation prepaid or allowed and transportation insurance; (f) sales commissions; and (g) packaging and freight charges.

1.6.1 Notwithstanding anything to the contrary in this Article 1.6, Net Sales does not include sales of Licensed Product at or below the fully burdened cost of manufacturing solely for non-profit research or clinical testing or for indigent or similar public support or compassionate use programs. If (i) the end user is a Company Sublicensee or an Affiliate or (ii) if Licensed Product or Licensed Process is sold for consideration other than money, then Net Sales shall be calculated based on the final gross selling price of comparable Licensed Products sold in arm's length transactions by Company to an end user.

1.6.2 For purposes of determining Net Sales, Licensed Product shall be deemed to be sold when shipped or to be the subject of a sale upon the delivery of Licensed Product to the purchaser or a common carrier at the risk of the purchaser and the transfer of title thereto to the purchaser.

1.6.3 Sales between or among the Company, Company Sublicensee and their Affiliates shall be excluded from the computation of Net Sales provided such parties are not the end-user of the products, but sales by such entities to their non-affiliated customers shall be included in such computation.

1.7 "Patent Rights" shall mean (a) United States Patent Number 6,764,838 and United States Patent Application Numbers 09/362,598; 10/715,659; 10/779,249; Canada Patent Application Number 2,315,790; Japanese Patent Application Number 2000-526233; and Australia Patent Number 740776, all entitled "Use of Parasitic Biological Agents for Prevention and Control of Autoimmune Diseases", patents issuing thereon or reissues thereof; any and all foreign patents and patent applications corresponding thereto; any divisional, continuation in part, continuation and reexamination applications; and any extensions thereof; (b) any and all US or foreign patents, patent applications, or other rights issuing from, or filed subsequent to the date of this Agreement, based on or claiming priority to or from the applications and rights listed in 1.1(a); and (c)any foreign counterpart to any of (a or b) not otherwise listed therein. All such Patent Rights shall be set forth in Appendix A, attached to this Agreement and made part thereof.

1.8 Non-Royalty Sublicensing Income ("NRSI") shall mean any and all consideration received from a Company Sublicensee in consideration for grant of a sublicense under the Patent Rights, which shall include upfront and milestone payments, but expressly excludes all royalty payments; payments resulting from the sale of one or more Licensed Products; research and development funding; equity exchanges; and investment.

1.9 Company Sublicensee means any other third party that has entered into a sublicense agreement with the Company to make, have made, use, have used, lease, offer to sell, sell and/or have sold the Licensed Products and to practice and have practiced the Licensed Processes.

1.10 "Territory" shall mean the world, to the extent Ovamed possesses a license to practice the Patent Rights in specific countries and/or territories in the world.

ARTICLE 2 – GRANT

2.1 Ovamed hereby grants to the Company and the Company accepts, subject to the terms and conditions of this Agreement, an exclusive license in the Field to practice under the Patent Rights and to utilize the Know-how in the Territory, and (a) to make, have made, use, have used, lease, import, offer to sell, sell and/or have sold the Licensed Products and to practice and have practiced the Licensed Processes, to the full end of the term for which the Patent Rights are granted, unless sooner terminated as hereinafter provided and (b) to sublicense to third parties, in accordance with Article 2.2 below, the rights granted under subsection (a) of this Article 2.1.

2.2 In accordance with 2.1 above, Ovamed hereby grants to the Company the right to grant sublicenses to third parties under the license granted hereunder in the sole discretion of the Company. Upon termination of this Agreement other than by expiration in accordance with paragraph 9.9, any and all sublicenses shall survive such termination, provided, however, Ovamed shall not be obligated to incur any obligation or duties to any former Company Sublicensee of the Company not already incurred or delegated to the Company by Ovamed in this Agreement. Notwithstanding the foregoing, if Company believes that Ovamed has terminated this Agreement for the primary purpose of doing business directly with the Company Sublicensee, the termination may be disputed.

2.3 Unless otherwise prohibited by law, Ovamed shall provide Company with and give Company access to the following: (i) copies of all regulatory submissions, (ii) copies of all patient records, (iii) any communications and the minutes of any meetings with the FDA or other regulatory authority relating to the Licensed Product; (iv) trial master files relating to any regulatory submission; (v) copies of all case report forms; (vi) all results of clinical trials conducted prior to and as of the Effective Date of this agreement relating to the Licensed Products, including without limitation, clinical data, hard copy CRFs and reports; patient samples (such as blood samples, microbiology samples, and tissue samples) and access to ()yarned personnel with relevant expertise to explain the foregoing (vii) copies of all computer data and reports pertaining to clinical trials, (viii) copies of all adverse event reports, (ix) copies of all preclinical evaluations, (x) any clinical trial material that has not expired, (xi) storage of and access permission to biological samples, (xii) access to physicians, CROs and health care administrators involved in trials; (xiii) copies of an access to records and reports of any CMC related activities; (xiv) all drug manufacture files along with the right to use manufacturing process and the manufacturing source, (xv) remaining quantities of any API (active pharmaceutical ingredient) and intermediates and (xvi) all other information that Company may reasonably request regarding clinical trials and regulatory approvals. All costs related to the duplication of such materials will be borne by Company. In addition, Ovamed shall cross-reference or assign all regulatory filings, at Company's option. From time to time during the term of this Agreement, at the request of Company, Ovamed shall execute and deliver to Company such documents and take such other action as Company may reasonably request to consummate more effectively the transactions contemplated hereby. Ovamed shall reasonably cooperate with Company and provide Company with such assistance as reasonably may be requested by Company, including with respect to the transfer of clinical data and filings with the FDA or other regulatory authorities.

ARTICLE 3 – COMMERCIALIZATION

3.1 The Company shall use all commercially reasonable efforts or shall cause its Affiliates or Company Sublicensees to use commercially reasonable efforts, to bring a Licensed Product to market through a thorough, vigorous and diligent program for exploitation

of the Technology as timely and efficiently as possible. Such program shall include the preclinical and clinical development of Licensed Products, including research and development, manufacturing, laboratory and clinical testing and marketing. The Company shall continue active, diligent marketing efforts for a Licensed Product throughout the term of this Agreement.

3.2 Following the execution of this Agreement, Ovamed and the Company shall negotiate in good faith the terms of a Manufacturing and Supply Agreement under which, subject to the terms of such agreement, Ovamed shall supply the Company with Licensed Product in amounts sufficient to satisfy the Company's clinical and commercial requirements.

ARTICLE 4 – ROYALTIES AND OTHER CONSIDERATION

4.1 Within ninety (90) days after the pre-IND meeting to be held at the United States Food and Drug Administration ("FDA") on December 13, 2005 ("The pre-IND Meeting"), the Company shall pay to Ovamed or directly to UIRF (at the Company's option) the following:

4.1.1 a non-refundable license fee of One Hundred Ten Thousand Dollars ($110,000) upon execution of this Agreement;

4.1.2 One Hundred Percent (100%) of all monies paid by Ovamed to UIRF for costs incurred as of the effective date of the License Agreement relating to the preparation, filing, prosecution and maintenance of the Patent Rights where such costs as of July 20, 2005 were One Hundred Ninety Thousand Six Hundred Thirty Three Dollars and Ninety Three Cents ($190,633.93) plus any costs incurred by UIRF between July 20, 2005 and the Effective Date of this Agreement;

4.2 The Company agrees to pay to Ovamed or directly to UIRF (at the Company's option) the royalties set forth below, to the end of the term of this License Agreement or until this Agreement shall be terminated as hereinafter provided.

4.1.1 During the term of the License Agreement, the Company shall pay Ovamed or directly to UIRF (at the Company's option) royalties equal to: four percent (4%) of Net Sales by the Company, Affiliates or Company Sublicensees;

4.1.2 The Company shall also pay to Ovamed thirty percent (30%) of any NRSI received by the Company as a result of the sublicensing of any of the Patent Rights prior to the pre-IND meeting in the United States or a foreign equivalent; twenty percent (20%) of NRSI subsequent to the pre-IND but prior to commencement of clinical trials; fifteen percent (15%) of NRSI after commencement of clinical trials, but prior to the completion of enrollment of a phase II clinical trial; and ten percent (10%) of any NRSI subsequent to enrollment of a Phase II clinical trial.

4.3 As further consideration for the license granted hereunder, the Company will make the following one-time milestone payments (each a "Milestone Payment") to Ovamed.

4.3.1 One Million Five Hundred Thousand] Dollars ($1,500,000) upon acceptance by the FDA of a Company-, Affiliate- or Company Sublicensee- sponsored Investigational New Drug Application (an "IND") for a Licensed Product;

4.3.2 One Million Five Hundred Thousand Dollars ($1,500,000) upon the one year anniversary of the acceptance by the FDA of a Company-, Affiliate- or Company Sublicensee- sponsored IND for a Licensed Product;

4.3.3 Two Hundred Thousand Dollars ($200,000) upon completion by the Company of the issuance of the Company's debt or equity securities to qualified investors in exchange for aggregate cash proceeds equal to or in excess of Five Million Dollars ($5,000,000);

4.3.4 Six Hundred Thousand Dollars ($600,000) upon the acceptance for review by the FDA of the first Company-, Affiliate- or Company Sublicensee- sponsored New Drug Application ("NDA") for a Licensed Product;

4.3.5 One Million Seven Hundred Fifty Thousand Dollars ($1,750,000) upon the final approval by the FDA of the first Company-, Affiliate- or Company Sublicensee-sponsored NDA for a Licensed Product;

4.3.6 One Million Two Hundred Fifty Thousand Dollars ($1,250,000) upon the final approval by the FDA of each subsequent Company-, Affiliate- or Company Sublicensee-sponsored NDA for a Licensed Product having an indication other than the indication on which the milestone of 4.3.5 is based;

4.3.7 Two Hundred Thousand Dollars ($200,000) upon the acceptance for review of the first Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in the European Union by the European Agency for Evaluation of Medicinal Products (the "EMEA") or its successor organization;

4.3.8 Four Hundred Thousand Dollars ($400,000) upon the final approval by the EMEA or its equivalent of the first Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in the European Union;

4.3.9 Four Hundred Thousand Dollars ($400,000) upon the final approval by the EMEA or its equivalent for each subsequent Company-, Affiliate- or Company Sublicensee-sponsored application for the commercial sale of a Licensed Product having an indication other than the indication on which the milestone of 4.3.8 is based;

4.3.10 Two Hundred Thousand Dollars ($200,000) upon the acceptance for review of the first Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Japan by the Ministry of Health, Labor, and Welfare or its equivalent ("MHLW");

4.3.11 Four Hundred Thousand Dollars ($400,000) upon the final approval of a Company-, Affiliate- or Company Sublicensee-sponsored application for the commercial sale of a Licensed Product in Japan by MHLW;

4.3.12 Four Hundred Thousand Dollars ($400,000) upon the final approval of each subsequent Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Japan by MHLW having an indication other than the indication on which the milestone of 4.3.11 is based;

4.3.13 Two Hundred Thousand Dollars ($200,000) upon the acceptance for review of the first Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Canada by Health Canada or its equivalent;

4.3.14 Four Hundred Thousand Dollars ($400,000) upon the final approval of a Company-, Affiliate- or Company Sublicensee-sponsored application for the commercial sale of a Licensed Product by Health Canada or its equivalent;

4.3.15 Three Hundred Fifty Thousand Dollars ($350,000) upon the final approval of each subsequent Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Canada by Health Canada or its equivalent having an indication other than the indication on which the milestone of 4.3.14 is based;

4.3.16 One Hundred Fifty Thousand Dollars ($150,000) upon acceptance for review of the first Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Australia by the Pharmaceutical Benefits Advisory Committee or its equivalent ("PBAC");

4.3.17 Three Hundred Fifty Thousand Dollars ($350,000) upon final approval of a Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Australia by the PBAC; and;

4.3.18 Three Hundred Fifty Thousand Dollars ($350,000) upon final approval of each subsequent Company-, Affiliate- or Company Sublicensee- sponsored application for the commercial sale of a Licensed Product in Australia by the PBAC having an indication other than the indication on which the milestone of 4.3.17 is based.

4.4 No multiple royalties shall be payable because the use, lease or sale of any Licensed Product or Licensed Process is, or shall be, covered by more than one valid and unexpired claim contained in the Patent Rights.

4.5 In the event that a Licensed Product or Licensed Process is sold in the form of a combination product/process containing one or more products or technologies which are themselves not a Licensed Product or Licensed Process, the Net Sales for such combination product/process shall be calculated by multiplying the sales price of such combination product by the fraction A/(A+B) where A is the invoice price of the Licensed Product/Licensed Process or the Fair Market Value of the Licensed Product/Licensed Process if sold to an Affiliate and B is the total invoice price of the other products or technologies or the Fair Market Value of the other products or technologies if purchased from an Affiliate.

4.6 Royalty payments shall be paid in United States dollars at such place as Ovamed may reasonably designate consistent with the laws and regulations controlling in the United States and if applicable in any foreign country. Any taxes which the Company, its Affiliate or

any Company Sublicensee shall be required by law to withhold on remittance of the royalty payments shall be deducted from such royalty payment to Ovamed. The Company shall furnish Ovamed with the original copies of all official receipts for such taxes. If any currency conversion shall be required in connection with the payment of royalties hereunder, such conversion shall be made by using the exchange rate prevailing at Citibank, N.A. in New York, New York on the last business day of the calendar quarterly reporting period to which such royalty payments relate.

4.7 Royalties payable to Ovamed shall be paid semi-annually on or before June 30 and December 31 of each calendar year. Each such payment shall be for unpaid royalties which accrued within or prior to the Company's two most recently completed fiscal quarters.

4.8 Commencing on the fourth anniversary of the execution date of this Agreement, the Company shall remit to Ovamed or to UIRF (at the Company's option) an annual license maintenance fee payment of Two Hundred Fifty Thousand Dollars ($250,000). Notwithstanding the limitations of this Article 4.8, annual license maintenance fees paid hereunder shall be reduced by the total amount of any milestones and royalties accrued to the Company, an Affiliate or a Company Sublicensee solely during the relevant agreement year but shall not be reduced by (a) any royalties accruing in any other agreement year or (b) contract research funding payable to the University of Iowa or UIRF pursuant to the terms of any research or development agreement.

4.9 No payment obligations shall be due with respect to any sale or sublicense covering any Licensed Product in a country if there are no issued Patent Rights underlying such Licensed Product in such country.

4.10 To the extent that the Company, its Affiliate, or its Company Sublicensee is required (i) in its sole discretion after appropriate legal analysis, or (ii) by order or judgment of any court in any jurisdiction, to obtain a license from a third party in order to practice the rights purported to be granted to the Company by Ovamed hereunder under Patent Rights in such jurisdiction, then up to [*******] percent ([*******]%) of the royalties payable under such license in such jurisdiction may be deducted from royalties otherwise payable to Ovamed hereunder, provided that in no event shall the aggregate royalties payable to Ovamed in any semi-annual period in such jurisdiction be reduced by more than [*******] percent ([*******]%) as a result of any such deduction, provided further that any excess deduction remaining as a result of such limitation may be carried forward to subsequent periods.

4.11 Should the Company fail to make any payments due to Ovamed pursuant to Articles 4.1, 4.2, 4.3, 4.8 and 6.1 of this Agreement, Paramount Biosciences, LLC ("Paramount") shall make such payments to Ovamed on the Company's behalf (such payments may be made directly to UIRF, at the Company's option). In return for such payments, Paramount will receive promissory notes from the Company in amounts equal to those amounts remitted by Paramount to Ovamed (or UIRF as applicable) pursuant to the preceding sentence (the "Notes") that will accrue interest at [*******] percent ([*******]%) per annum, compounded [*******], and [*******] percent ([*******]%) upon default. The Notes will become due and payable in [*******] from the date of payment by Paramount of the applicable fund to Ovamed (or UIRF as applicable). The Notes will also convert into shares of [*******], at Paramount's option, at a per share price representing a [*******] Dollars

($[*******]) valuation of the Company, should the Company fail to repay any outstanding Note when due. Paramount's obligation to Ovamed and the Company under this Article 4.11 shall terminate upon such time as the Company has received in excess of [*******] Dollars ($[*******]) in gross proceeds as a result of the sale of its equity securities.

ARTICLE 5 – REPORTS AND RECORDS

5.1 The Company shall report to Ovamed the date of first sale of Licensed Products (or results of Licensed Processes) in each country within thirty (30) days of occurrence.

5.2 The Company agrees to submit to Ovamed within [*******] after the calendar quarters ending March 31, June 30, September 30, and December 31, reports setting forth for the preceding three (3) month period at least the following information:

(i) the number of the Licensed Products sold by the Company, its Affiliates and its Company Sublicensees in each country;

(ii) total billings for such Licensed Products;

(iii) an accounting for all Licensed Processes used or sold;

(iv) deductions applicable to determine the Net Sales thereof;

(v) the amount of royalty due thereon;

and with each such royalty report to pay the amount of royalty due. Such report shall be certified as correct by an officer of the Company and shall include a detailed listing of all deductions from royalties as specified herein. If no royalties are due to Ovamed for any reporting period, the written report shall so state. All such reports shall be maintained in confidence under Article 15 of this Agreement.

ARTICLE 6 – FILING, PROSECUTION AND MAINTENANCE

6.1 Pursuant to Article 4.1.2, the Company shall reimburse Ovamed or may reimburse UIRF directly (at the Company's option) for all reasonable expenses Ovamed has paid to UIRF under the License Agreement in connection with the preparation, filing, prosecution and maintenance of Patent Rights and the Company shall reimburse Ovamed for monies Ovamed has paid to UIRF under the License Agreement for all such future expenses upon receipt of invoices from Ovamed and/or UIRF. It is understood that UIRF shall take responsibility for the preparation, filing, prosecution and maintenance of any and all patent applications and patents included in Patent Rights.

6.2 Ovamed and the Company shall cooperate fully in the preparation, filing, prosecution and maintenance of Patent Rights and of all patents and patent applications licensed to the Company hereunder, executing all papers and instruments or causing members of UIRF to execute such papers and instruments as to enable UIRF to apply for, to prosecute and to maintain

patent applications and patents in UIRF's name in any country. Each party shall provide to the other prompt notice as to all matters which come to its attention and which may affect the preparation, filing, prosecution or maintenance of any such patent applications or patents.

6.3 If the Company elects to no longer pay the expenses of a patent application or patent included with Patent Rights, the Company shall notify Ovamed not less than sixty (60) days prior to such action and shall thereby surrender its rights and extinguish its obligations under such patent or patent application.

6.4 Notwithstanding anything to the contrary herein, Ovamed and/or UIRF will provide the Company with ample time in which to review and comment on any communication for which submission to any patent office is intended, including but not limited to responses to official actions, amendments, affidavits, declarations and patent applications. In no event shall Ovamed provide the Company with less than seven (7) business days in which to review an intended patent office submission prior to such submission. Ovamed shall use best efforts, and shall cause UIRF to use best efforts, to accommodate the Company's requests to (a) enter and/or amend a claim in a pending patent application under the Patent Rights or (b) file additional patent applications as reasonably needed to advance the purposes of this Agreement or to protect the rights and licenses granted hereunder. Ovamed further agrees to cause UIRF to retain patent counsel to prosecute and maintain the Patent Rights that is reasonably acceptable to the Company with respect to quality of work and responsiveness. Within [*******] of the Effective Date of this Agreement, Ovamed and the Company shall develop, in good faith, a budget for controlling all costs associated with the preparation, filing, prosecution and maintenance of the Patent Rights. Ovamed and/or UIRF shall obtain the Company's prior written consent for any such costs that exceed the budget by more than [*******] percent ([*******]%).

6.5 Notwithstanding anything to the contrary herein, Ovamed shall cause UIRF to authorize UIRF's patent counsel to communicate directly with the Company on the same basis that said patent counsel communicates with UIRF with respect to the prosecution of Patent Rights.

ARTICLE 7 – MARKING

7.1 If a licensed patent has been or is subsequently issued to UIRF covering any feature or features of the Licensed Products, the Company agrees to mark each and every package or container in which the Licensed Products are used or sold by or for the Company with marking complying with the provisions of Title 35, U.S. Code, Section 287, if required, or any future equivalent provisions of the United States relating to the marking of patented devices, or with marking complying with the law of the country where the Licensed Products are shipped, used or sold.

ARTICLE 8 – INFRINGEMENT

8.1 The Parties shall promptly provide written notice to each other of any alleged infringement or any challenge or threatened challenge to the validity, enforceability or priority of any of the Patent Rights, and provide each other with any available evidence of such infringement, challenge or threatened challenge by a third party of the Patent Rights and provide such other party with any available evidence of such infringement.

8.2 During the term of this Agreement, the Company shall have the right, but not the obligation, to institute such action as it deems appropriate at its own expense and utilizing counsel of its choice, to terminate the infringement of, and/or challenge to, the Patent Rights in the Territory in the Field through negotiation, litigation and/or alternative dispute resolution means, provided that the Company shall not act in any arbitrary or capricious manner and shall not act in contravention or breach of the licenses granted to the Company hereunder. Ovamed shall reasonably cooperate in any such action, and shall cause UIRF to reasonably cooperate in any such action in accordance with the terms of the License Agreement. Pursuant to the License Agreement, UIRF may join the Company as a party in any such suit (and will join at Ovamed's request), provided that the Company and/or Ovamed pay all of UIRF's reasonable out-of-pocket expenses. Any recovery of damages pursuant to this Article 8.2 shall be retained entirely by the Company and allocated pursuant to 8.4 below.

8.3 In the event that a claim or suit is asserted or brought against the Company alleging that the manufacture or sale of any Licensed Product or Licensed Process by the Company, an Affiliate, or Company Sublicensee, or the use of such Licensed Product or Licensed Process by any customer of any of the foregoing, infringes proprietary rights of a third party, the Company shall give written notice thereof to Ovamed. The Company may, in its sole discretion, modify such Licensed Product or such Licensed Process to avoid such infringement and/or may settle on terms that it deems advisable in its sole discretion, subject to paragraph 8.2. Otherwise, the Company shall have the right, but not the obligation, to defend any such claim or suit. In the event the Company elects not to defend such suit, Ovamed shall have the right, but not the obligation to do so at its sole expense.

8.4 Any recovery of damages by the Company, in any such suit under Article 8.2 and 8.3, shall be applied first in satisfaction of any unreimbursed expenses and legal fees of the Company relating to the suit. The balance remaining from such suit shall be allocated accordingly: (a) amounts relating to lost sales shall be allocated in their entirety to the Company, provided however, that Company shall pay Ovamed royalties due for such lost sales pursuant to Article 4 of this Agreement; and (b) any amounts remaining after the allocation of amounts pursuant to 8.4(a) shall be divided equally between the Company and Ovamed.

8.5 The Company may credit the cost of any litigation costs incurred by the Company in any country in the Territory pursuant to this Article 8 including all amounts paid in judgment or settlement of litigation within the scope of this Article 8 against royalties or other fees thereafter payable to Ovamed hereunder for such country. If the costs of such litigation in such country exceeds the royalties payable to Ovamed in any year in which such costs are incurred then the amount of such costs, expenses and amounts paid in judgment or settlement, in excess of the royalties payable shall be carried over and credited against royalty payments in future years for such country.

8.6 If within [*******] after receiving notice of any alleged infringement of the Patent Rights, the Company shall have been unsuccessful in persuading the alleged infringer to desist, or shall not have brought and shall not be diligently prosecuting an infringement action, or

if the Company shall notify Ovamed, at any time prior thereto, of its intention not to bring suit against the alleged infringer, then, and in those events only, the Company shall have the right, but not the obligation, to prosecute, at its own expense and utilizing counsel of its choice, any infringement of the Patent Rights, and the Company may, for such purposes, join Ovamed and/or IMF as a party plaintiff. The total cost of any such infringement action commenced solely by Ovamed shall be borne by Ovamed and Ovamed shall keep any recovery or damages for infringement or otherwise derived therefrom and such shall not be applicable to any royalty obligation of the Company.

8.7 In any suit to enforce and/or defend the Patent Rights pursuant to this Agreement, the party not in control of such suit shall, at the request and expense of the controlling patty, cooperate in all respects and, to the extent possible, have its employees testify when requested and make available relevant records, papers, information, samples, specimens, and the like.

8.8 If the Company, its Affiliate or Company Sublicensee elects to commence an action as described above, the Company may reduce, by up to [*******] percent ([*******]%), the royalty due to Ovamed earned under the patent subject to suit by [*******] percent ([*******]%) of the amount of the expenses and costs of such action, including attorney fees. In the event that such [*******] percent ([*******]%) of such expenses and costs exceed the amount of royalties withheld by the Company for any calendar year, the Company may to that extent reduce the royalties due to Ovamed from the Company in succeeding calendar years, but never by more than [*******] percent ([*******]%) of the royalty due in any one year.

ARTICLE 9 – TERMINATION OF AGREEMENT

9.1 Upon any termination of this Agreement, and except as provided herein to the contrary, all rights and obligations of the Parties hereunder shall cease, except as follows:

(a) Ovamed's right to receive or recover and the Company's obligation to pay royalties accrued or accruable for payment at the time of any termination;

(b) Ovamed's obligation to maintain records and the Company's right to conduct a final audit as provided in Article 5 of this Agreement; and

(c) Any cause of action or claim of by either party, accrued or to accrue because of any breach or default by the Company.

9.2 In the event the Company fails to make payments due hereunder which is not subject to a bona fide good faith dispute, Ovamed shall provide the Company with [*******] written notice of such failure. The Company shall then have [*******] from the date of such written notice in which to make the payment due. If payments are not so made within the time limit, Ovamed may immediately terminate this Agreement by written notice.

9.3 In the event that the Company shall be in default in the performance of any material obligations under this Agreement (other than as provided in 9.2 above which shall take precedence over any other default), and if the default has not been remedied within [*******] after the date of notice in writing of such default, Ovamed may terminate this Agreement immediately by written notice.

9.4 If the Company shall become bankrupt, or shall file a petition in bankruptcy and such petition is not dismissed within [*******] after it has been filed, or if the business of the Company shall be placed in the hands of a receiver, assignee or trustee for the benefit of creditors, whether by the voluntary act of the Company or otherwise, this Agreement shall automatically terminate.

9.5 In the event that this Agreement is terminated due to the Company's breach, Company Sublicensee shall have at least [*******] in which to bring this Agreement back into good standing. Should the nature of the activity associated with bringing this Agreement back into good standing reasonably require more than [*******], then Ovamed shall grant Company Sublicensee additional time in which to bring this Agreement back into good standing.

9.6 The Company shall have the right to terminate this Agreement by giving [*******] advance written notice to Ovamed to that effect. Upon termination, a final report shall be submitted and any royalty payments and unreimbursed patent expenses due to Ovamed become immediately payable.

9.7 The Company shall have the right during a period of six (6) months following the effective date of such termination to sell or otherwise dispose of the Licensed Product existing at the time of such termination, and shall make a final report and payment of all royalties related thereto within sixty (60) days following the end of such period or the date of the final disposition of such inventory, whichever first occurs,

9.8 Upon termination of this Agreement for any reason, nothing herein shall be construed to release either party from any obligation that matured prior to the effective date of such termination or obligations under Articles 4, 5, 12 and 16, for the exception of obligations under Articles 4.1.1 and 4.1.2. Ovamed hereby acknowledges and agrees that, should the Company terminate this Agreement within [*******] after The pre-IND Meeting, then the Company shall have no obligation to pay any amounts pursuant to Articles 4.1.1 and 4.1.2. The Company and/or any Company Sublicensee thereof may, however, after the effective date of such termination and continuing for a period not to exceed [*******] thereafter, sell all completed Licensed Products, and any Licensed Products in the process of manufacture at the time of such termination, and sell the same, provided that the Company shall pay or cause to be paid to Ovamed the royalties thereon as required by Article 4 of this Agreement and shall submit the reports required by Article 5 hereof on the sales of Licensed Products.

9.9 If not terminated sooner, this Agreement shall terminate on the date of the last to expire valid claim contained in the Patent Rights in accordance with Section 2.1.

9.10 Force Majeure: Neither party is responsible for delays resulting from causes beyond its reasonable control, including without limitation fire, explosion, flood, war, strike, or riot, provided that the non-performing party uses commercially reasonable efforts to avoid or remove those causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever the causes are removed.

ARTICLE 10 – ASSIGNMENT

10.1 This Agreement and the rights and duties appertaining hereto may not be assigned by either party without first obtaining the written consent of the other which consent shall not be unreasonably withheld. Any such purported assignment, without the written consent of the other party, shall be null and of no effect. Notwithstanding the foregoing, the Company may assign this Agreement without the consent of Ovamed (i) to a purchaser, merging or consolidating corporation, or acquirer of substantially all of the Company's assets or business and/or pursuant to any reorganization qualifying under section 368 of the Internal Revenue Code of 1986 as amended, as may be in effect at such time, or (ii) to an Affiliate.

ARTICLE 11 – LIMITATION OF LIABILITY, INDEMNITY

EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT, OVAMED MAKES NO REPRESENTATIONS AND EXTENDS NO WARRANTIES OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND VALIDITY OF PATENTED RIGHTS CLAIMS, ISSUED OR PENDING.

ARTICLE 12 – INDEMNIFICATION & INSURANCE

12.1 The Company agrees to defend, indemnify and hold Ovamed harmless from and against all liability, demands, damages, including without limitation, expenses or losses including death, personal injury, illness or property damage arising directly or indirectly: (a) out of use by the Company or its transferees of inventions licensed or information furnished under this Agreement or (b) out of any use, sale or other disposition by the Company or its transferees of Patent Rights, Licensed Products or Licensed Processes, in each case which are not the result of Licensor's breach of any representation or warranty, negligence or willful misconduct.

12.2 Beginning at the time as any such product, process or service is being commercially distributed or sold (other than for the purpose of obtaining regulatory approvals) by the Company its Affiliate, or a Company Sublicensee, the Company shall, at its sole cost and expense procure and maintain comprehensive general liability insurance in amounts not less than $[*******] per incident and $[*******] annual aggregate and naming UIRF as an additional insured. During clinical trials of any such product, process or service the Company shall, at its sole cost and expense, procure and maintain comprehensive general liability insurance in such equal or lesser amounts as required by the License Agreement, naming UIRF as an additional insured. Such comprehensive general liability insurance shall provide (i) product liability coverage and (ii) liability coverage consistent with the Company's indemnification obligations under this Agreement. If the Company elects to self-insure all or part of the limits described above (including deductibles or retentions which are in excess of $[*******] annual aggregate) such self-insurance program must be acceptable to UIRF. The minimum amounts of insurance coverage required shall not be construed to create a limit of the Company's liability with respect to its indemnification under this Agreement.

12.3 The Company shall provide Ovamed and/or UIRF (at the Company's option) with written evidence of such insurance upon request of Ovamed. The Company shall provide Ovamed and/or UIRF (at the Company's option) with written notice at least [*******] prior to the cancellation, non-renewal or material change in such insurance; if the Company does not obtain replacement insurance providing comparable coverage within such [*******] period, the Company shall have the right to terminate this Agreement effective at the end of such [*******] period upon written notice.

12.4 The Company shall maintain such comprehensive general liability insurance beyond the expiration or termination of this Agreement during (i) the period that any product, process, or service, relating to, or developed pursuant to, this Agreement is being commercially distributed or sold by the Company, its Affiliate or a Company Sublicensee, and (ii) a reasonable period after the period referred to in (i) above which in no event shall be less than [*******].

ARTICLE 13 – PAYMENT OF FEES AND EXPENSES

Each of the Company and Ovamed shall be responsible for their own expenses relating to the preparation and consummation of this Agreement and the agreements and transactions contemplated hereby.

ARTICLE 14 – USE OF NAMES AND PUBLICATION

14.1 Nothing contained in this Agreement shall be construed as granting any right to the Company or its Affiliates to use in advertising, publicity, or other promotional activities any name, trade name, trademark, or other designation of Ovamed or any of its units (including contraction, abbreviation or simulation of any of the foregoing) without the prior, written consent of Ovamed; provided, however, that Ovamed acknowledges and agrees that the Company may use the name of Ovamed in various documents used by the Company for capital raising and financing without such prior written consent and where the use of such names may be required by law.

14.2 Nothing herein shall be deemed to establish a relationship of principal and agent between Ovamed and the Company, nor any of their agents or employees for any purpose whatsoever.

14.3 In the event that Ovamed desires to publish or disclose, by written, oral or other presentation, Patent Rights, Know-how, or any material information related thereto then Ovamed shall notify the Company and in writing by facsimile where confirmed by the receiving party, and/or by certified or registered mail (return receipt requested) of their intention at least [*******] prior to any speech, lecture or other oral presentation and at least [*******] before any written or other publication or disclosure. Ovamed shall include with such notice a description of any proposed oral presentation or, in any proposed written or other disclosure, a current draft of such proposed disclosure or abstract. The Company may request that Ovamed, no later than [*******] following the receipt of such notice, delay such presentation, publication or disclosure for up to an additional [*******] in order to enable the Company

to file, or have filed on their behalf, a patent application, copyright or other appropriate form of intellectual property protection related to the information to be disclosed or request that Ovamed do so. Upon receipt of such request to delay such presentation, publication or disclosure, Ovamed shall arrange for a delay of such presentation, publication or disclosure until such time as the Company or Ovamed have filed, or had filed on its behalf, such patent application, copyright or other appropriate form of intellectual property protection in form and in substance reasonably satisfactory to the Company and Ovamed. If Ovamed does not receive any request from the Company to delay such presentation, publication or disclosure, Ovamed may submit such material for presentation, publication or other form of disclosure.

ARTICLE 15 – PAYMENTS, NOTICES AND OTHER COMMUNICATIONS

Any payment, notice or other communication required or permitted to be given pursuant to this Agreement shall be in writing and sent by certified first class mail, postage prepaid, by hand delivery or by facsimile if confirmed in writing, in each case effective upon receipt, at the addresses below or as otherwise designated by written notice given to the other party:

In the case of Ovamed:
Ovamed GbmH & Co KG
Attention: Mr. Detlev Goj, General Manager
Kiebitzhörn 33-35, 22885
Barsbüttel, Germany
Tel: 49-40-67105710

In the case of the Company:
Collingwood Pharmaceuticals, Inc.
787 Seventh Avenue, 48th Floor
New York, NY 10036
Attn: President
Tel: (212) 554-4300
Fax: (212) 554-4490

16. CONFIDENTIALITY

16.1 Any proprietary or confidential information exchanged under this agreement (including, but not limited to, information relating to the Patent Rights and royalty reports submitted pursuant to Article 5) constitute the "Confidential Information." The Company and Ovamed agree that they will not use the Confidential Information for any purpose unrelated to this Agreement, and will hold it in confidence during the term of this Agreement and for a period of [*******] after the termination or expiration date of this Agreement. The parties shall exercise with respect to such the Confidential Information the same degree of care as the parties exercise with respect to their own confidential or proprietary information of a similar nature, and shall not disclose it or permit its disclosure to any third party (except to those of its employees, consultants, or agents who are bound by the same obligation of confidentiality as the parties bound by pursuant to this Agreement). However, such undertaking of confidentiality by the parties shall not apply to any information or data which:

16.1.1 The receiving party receives at any time from a third-party lawfully in possession of same and having the right to disclose same;

16.1.2 Is, as of the date of this Agreement, in the public domain, or subsequently enters the public domain through no fault of the receiving party;

16.1.3 Is independently developed by the receiving party as demonstrated by written evidence without reference to information disclosed by the disclosing party;

16.1.4 Is disclosed pursuant to the prior written approval of the disclosing party; and

16.1.5 Is required to be disclosed pursuant to law or legal process (including, without limitation, to a governmental authority) provided, in the case of disclosure pursuant to legal process, reasonable notice of the impending disclosure is provided to the disclosing party and the disclosing party has agreed to such disclosure in writing or has exhausted its right to contest such disclosure.

ARTICLE 17 – REPRESENTATIONS AND WARRANTIES

17.1 Ovamed represents and warrants that:

17.1.1 Ovamed has all right and interest in and to the Patent Rights and Know-how, including the exclusive right and interest thereto, free and clear of all liens, charges, encumbrances or other restrictions or limitations of any kind whatsoever.

17.1.2 There are no licenses, options, restrictions, liens, rights of third parties, disputes, royalty obligations, proceedings or claims relating to, affecting, or limiting Ovamed's rights or the rights of the Company under this Agreement, or which may lead to a claim of infringement or invalidity regarding, any part or all of the Patent Rights or Know-how or their use.

17.1.3 There is no claim, pending or threatened, of infringement, interference or invalidity regarding any part or all of the Patent Rights or Know-how or their use.

17.1.4 The patent applications and patents itemized on Exhibit A set forth all of the patents and patent applications relating to or useful for practicing the Technology in the Field of Use owned by or licensed by Ovamed on the Effective Date.

17.1.5 There are no inventors of Patent Rights other than those listed as inventors on Exhibit A.

17.1.6 The Patent Rights and Know-how were not supported in whole or part by funding or grants by any federal or state agency.

17.1.7 Ovamed has provided the Company with copies of all documents reflecting support or funding for all or part of the research leading to Patent Rights and Know-how, and has listed all such funding agencies on Exhibit B.

ARTICLE 18 – MISCELLANEOUS PROVISIONS

18.1 This Agreement shall be construed, governed, interpreted and applied in accordance with the Republic of Germany, without regard to principles of conflicts of laws.

18.2 The parties hereto acknowledge that this Agreement, including the Appendices and documents incorporated by reference, sets forth the entire agreement and understanding of the parties hereto as to the subject matter hereof, and shall not be subject to any change of modification except by the execution of a written instrument subscribed to by the parties hereto and shall supersede all previous communications, representations or understandings, either oral or written, between the parties relating to the subject matter hereof.

18.3 The provisions of this Agreement are severable, and in the event that any provision of this Agreement shall be determined to be invalid or unenforceable under any controlling body of law, such invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions hereof.

18.4 The failure of either party to assert a right hereunder or to insist upon compliance with any term or condition of this Agreement shall not constitute a waiver of that right or excuse a similar subsequent failure to perform any such term or condition by the other party. Any waiver of any rights or failure to act in a specific instance relates only to that instance and is not an agreement to waive any rights or fail to act in any other instance.

18.5 The headings of the several articles are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

18.6 This Agreement will not be binding upon the parties until it has been signed below on behalf of each party, in which event, it shall be effective as of the date recited on page one. As of the Effective Date, this Agreement is binding upon and inures to the benefit of the parties and their respective permitted successors and assigns.

18.7 Each party hereto shall be excused from any breach of this Agreement which is proximately caused by governmental regulation, act of war, strike, act of God or other similar circumstance normally deemed outside the control of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by proper persons thereunto duly authorized.

Collingwood Pharmaceuticals, Inc.

By: /s/ J. Jay Lobell

Name: J. Jay Lobell

Title: President

Date: December 12, 2005

OVAMED GbmH & Co KG

By: /s/ Detlev Goj

Name: Detlev Goj

Title: Chief Executive Officer

Date: December 12, 2005

Agreed as to Article 4.11:

Paramount Biosciences, LLC

By: /s/ Lindsay A. Rosenwald, M.D.

Name: Lindsay A. Rosenwald, M.D.

Title: Managing Member

Date: December 12, 2005

Acknowledged

University of Iowa Research Foundation

By: /s/ Pamela K. York

Name: Pamela K. York

Title: Executive Director

Date: December 12, 2005

[EXECUTION PAGE TO THE EXCLUSIVE SUBLICENSE AGREEMENT DATED DECEMBER __, 2005]

Appendix A

The following comprise PATENT RIGHTS:

United States Patent Number 6,764,838
United States Patent Application Numbers 09/362,598; 10/715,659; 10/779,249
Canada Patent Application Number 2,315,790
Japanese Patent Application Number 2000-526233
Australia Patent Number 740776

Appendix B

[*******] grant Identification Numbers [*******]

Exhibit 10.11

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

MANUFACTURING AND SUPPLY AGREEMENT

by and among

COLLINGWOOD PHARMACEUTICALS, INC.,

and

OVAMED GMBH

March 29, 2006

TABLE OF CONTENTS

SCHEDULES AND EXHIBITS

MANUFACTURING AND SUPPLY AGREEMENT

This Manufacturing and Supply Agreement (the "Agreement") is entered into this __ day of December, 2005 (the "Effective Date"), by and between Collingwood Pharmaceuticals, Inc., a corporation organized and existing under the laws of Delaware and having a principal place of business at 787 Seventh Avenue, 48th Floor, New York, New York 10019 ("Collingwood"), and Ovamed GmbH, a corporation organized and existing under the laws of Germany and having a principal place of business at Kiebitzhörn 33-35, 22885 Barsbüttel, Germany ("Ovamed"). Collingwood and Ovamed may each be referred to herein individually as a "Party" and collectively as the "Parties."

Recitals

A. Collingwood wishes to engage Ovamed to manufacture Products (as defined below) and supply them to Collingwood as an active pharmaceutical ingredient and drug product for preclinical, clinical and commercial use.

B. Ovamed desires to manufacture Products and supply them to Collingwood and Collingwood desires to purchase Products from Ovamed for such use as further described and in accordance with the terms and conditions of this Agreement.

C. Ovamed has obtained an exclusive license (the "License") from the University of Iowa Research Foundation ("UIRF") to practice certain patent rights in the United States, Canada, Japan, and Australia;

D. Collingwood and Ovamed have entered an Exclusive Sublicense Agreement (the "Sublicense"), under which Ovamed granted to Collingwood an exclusive right to practice the patent rights discussed in the License in connection with the prevention, treatment, cure or diagnosis of human diseases, with the exception of gastroenterology (*e.g.*, inflammatory bowel disease) and hepatology in Europe (the "Field of Use").

Agreement

NOW THEREFORE, the parties agree as follows:

1. DEFINITIONS

Capitalized terms used but not defined in this Agreement have the meanings given to them as set forth below.

"Acceptance" has the meaning given to it in Section 3.2.1.

"Approved Subcontractor" means, at any time, any member of the Ovamed Group or other subcontractor engaged by Ovamed for the manufacture or supply of a principal component necessary for the manufacture of Product reasonably acceptable to Collingwood.

"Affiliate" of any person shall mean any general or limited partner of any such person that is a partnership, member of any such person that is a limited liability company or any person or entity that, directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such person.

"CGMP" means Current Good Manufacturing Practices, as defined in a regulation in 21 CFR § 210, 211, or 600 or, as applicable, the applicable European Agency for the Evaluation of Medicinal Products ("EMEA") Guidelines, or any other rules or regulations which may be applicable in any jurisdiction in which Ovamed manufactures the Product pursuant to this Agreement.

"Change Request" means a written request for a change to a Specification.

"Competing Party" means any third party manufacturing, developing, or commercializing a product approved or intended to be approved by a Regulatory Authority for use within the Field of Use which includes the use of TSO.

"Confidential Information" means all information relating to a Party, its business or prospects (including, without limitation, data, know-how, trade secrets, business plans), disclosed by such Party from time to time to the other Party in any manner, whether orally, visually or in tangible form (including, without limitation, documents, devices and computer readable media) and all copies thereof, created by either party.

"Developments" has the meaning given to it in Section 11.1.

"Disclosing Party" has the meaning given to it in Section 12.1.

"FDA" means the United States Food and Drug Administration.

"Field of Use" has the meaning given to it in the Recitals.

"IND Milestone Payments" has the meaning given to it in Section 7.2.

"Intellectual Property Rights" means patents, copyrights, design rights, trademarks, service marks, trade names, trade secrets, know-how, and other intellectual property rights of any kind and nature.

"Late Delivery Credit" has the meaning given to it in Section 3.3.

"Liabilities" means any liability, loss, damage, claim, cost or expense (including reasonable fees of attorneys and other professionals and court costs).

"License" has the meaning given to it in the Recitals.

"Minimum Batch Size" will be mutually agreed to by the parties in writing in the event of changes to the Product pursuant to Article 6 below. There will be no Minimum Batch Size prior to any such entered agreement.

"Ovamed Competitor" means any direct competitor of Ovamed that (i) sells TSO and (ii) sells a product that directly competes with a product sold by Ovamed that constitutes [*******]% or more of Ovamed's net revenues.

"Ovamed Group" means Ovamed and its Affiliates.

"Products" means initially TSO manufactured in accordance with the Specifications, or as otherwise mutually agreed by the Parties in the event changes are made to the Product pursuant to Article 6 below.

"Purchase Order" means a written purchase order submitted to Ovamed by Collingwood or one of its affiliates under this Agreement for delivery of Products; *provided* that any terms and conditions contained or incorporated by reference in any such purchase order that conflict with the terms and conditions of this Agreement or the attachments made a part hereof shall be of no force or effect whatsoever concerning the subject matter of this Agreement, and Ovamed's failure to object thereto shall not be deemed a waiver of Ovamed's rights hereunder.

"Receiving Party" has the meaning given to it in Section 12.1.

"Regulatory Approval" means with respect to a nation or multinational jurisdiction any approvals, licenses, registrations or authorizations necessary for the manufacture, marketing and sale of the Product in such nation or jurisdiction.

"Regulatory Authority" means any federal, state or foreign government authority.

"Regulatory Information" means the following information (or the equivalent in any relevant non-United States jurisdiction): IND Safety Reports & Follow-ups (21 CFR §312.32(c)&(d)), Post-marketing 15-day Alert Reports & Follow-ups (21 CFR §314.80(c)1), Periodic Adverse Drug Experience Reports (21 CFR §314.80(c)2), Field Alert Reports (21 CFR §314.81(b)(1)), Product Complaints (21 CFR §211.198), IND Annual Reports (21 CFR §312.33(b)) and Post-marketing Annual Reports (21 CFR §314.81(b)(2)(i),(iv)&(v)).

"Specifications" means the finished product specifications for the Products and testing standards and procedures to be employed in determining compliance therewith attached hereto as Exhibit A, as amended from time to time in accordance with this Agreement.

"Sublicense" has the meaning given to it in the Recitals.

"Term" has the meaning given to it in Section 8.1.

"Territory" means the entire world, to the extent Ovamed possesses a license to practice the Patent Rights (as defined in the Sublicense) in specific countries and/or territories in the world.

"Transfer Assistance" has the meaning given to it in Section 8.3.

"TSO" means Trichuris suis ova.

"UIRF" has the meaning given to it in the Recitals.

"Unit" means approximately [*******], or such other final dose as approved by the relevant Regulatory Authority, on the basis that a treatment dose will require [*******] Units per year and maintenance dose will require [*******] Units per year.

"Withdrawal Notice Date" has the meaning given to it in Section 8.2.5.

2. MANUFACTURING AND SUPPLY AND PURCHASE.

2.1 Manufacturing.

Ovamed agrees to manufacture and supply, and Collingwood agrees to purchase, Product solely for non-clinical, clinical and commercial use in the Field of Use in the Territory, according to the terms of this Agreement. Ovamed also agrees to engage in development with Collingwood in connection with the Products as part of a Change Request pursuant to the terms and conditions as set forth in Section 6.1.1 of this Agreement.

2.2 Manufacturing Facilities.

In addition to the existing manufacturing facility in Germany, Ovamed shall establish at least two (2) more manufacturing facilities located in the United States, which will be in compliance with CGMP and the first of which will be completed and operational upon [*******]. Ovamed will establish a second manufacturing facility located in the United States, which will be completed and operational prior to the [*******]. Upon the establishment of the United States manufacturing facilities and any others, and on each twelve-month anniversary thereof, Ovamed will provide to Collingwood written certification that all manufacturing facilities in the United States at which Product is manufactured are in compliance with CGMP and that all manufacturing facilities existing outside of the United States at which Product is manufactured are in compliance with the relevant regulations of such jurisdiction.

2.3 Third Party Manufacturers.

Ovamed shall remain responsible for its obligations under this agreement notwithstanding any delegation hereunder.

2.4 Purchase Orders.

All orders placed by Collingwood for the Products require a Purchase Order. Collingwood shall submit to Ovamed a [*******] rolling supply forecast in writing and a firm Purchase Order for the purchase of any Products at least [*******] prior to the specified delivery date in writing, and Ovamed shall accept such Purchase Order in writing, subject to the adherence of such Purchase Order to the terms and conditions of this Agreement. Each Purchase Order shall be signed by an employee of Collingwood and specify the quantity of Products ordered, the purchase price, the requested delivery date or dates, and delivery locations. Ovamed reserves the right to cancel, suspend, refuse or delay any orders if Collingwood fails to make any payment when due, and such failure continues after [*******] notice of such non-payment

from Ovamed. At the reasonable request of Ovamed, Collingwood will cooperate and submit to Ovamed any information required for Ovamed to obtain "accounts receivable insurance" from a bona fide third party carrier (such information will be restricted to information that is customarily required for such types of insurance).

2.5 Inspection and Notifications.

2.5.1 Inspections. During regular business hours and upon reasonable advance notice, Ovamed shall permit, and upon reasonable notice and coordination of schedules shall use reasonable efforts to cause each of its Approved Subcontractors to permit, Collingwood, its consultants and/or contractors reasonably acceptable to Ovamed (or if not reasonably acceptable to Ovamed, Ovamed will supply a list of appropriately qualified consultants acceptable to it for Collingwood to use) and government personnel (including without limitation personnel from the FDA, for whom advance notice is not required, or any other Regulatory Authority in the Territory) to inspect the facilities of Ovamed and each of its Approved Subcontractors and to review manufacturing activities related to the Products solely to the extent necessary for, and for the purpose of assessing Ovamed's regulatory and quality compliance with, CGMP and for the purpose of determining compliance with the Specifications; *provided* that, (i) Collingwood shall not be permitted to exercise its right of inspection under this Section more than [*******] times in any twelve month period (ii) such restriction on the number of inspections shall not apply to governmental inspections, (iii) each party conducting an inspection, other than governmental, shall execute with Ovamed a nondisclosure agreement containing a conventional penalty in case of breach not less than € [*******], reasonably acceptable to Ovamed with regard to all materials inspected. Ovamed shall permit, and use reasonable efforts, to cause each of its Approved Subcontractors to permit, Collingwood and government personnel, to review and make copies of all relevant documents related to the Products that might reasonably be requested for such purposes. The costs of Ovamed's reasonable expenses incurred in connection with such inspections, shall be borne by Collingwood.

2.5.2 Notification. Ovamed shall promptly provide Collingwood notice of all inspections of Ovamed's facilities by any Regulatory Authority reasonably related to Ovamed's performance hereunder or the subject matter of this Agreement, and each Party shall promptly provide the other Party with notice of all (A) written claims and allegations, and (B) claims and allegations made orally that reasonably appear to warrant investigation or response, in either case of which Ovamed or Collingwood is aware, that Ovamed is not complying with CGMP or with the relevant Specifications. The obligations of this Section apply equally to any such notices provided to Ovamed's Approved Subcontractors to Ovamed's knowledge.

2.5.3 Records. Ovamed shall maintain all of its manufacturing and analytical records, all records of shipments of Products and all reasonable validation data relating to Products for a minimum of five (5) years from Product shipment. Collingwood shall maintain all of its sales, and analytical records, all records of shipments of Products and all reasonable validation data relating to Products for a minimum of two (2) years from Product shipment. Each Party agrees that, in response to any complaint, or in the defense by the other Party of any litigation, hearing, regulatory proceeding or investigation relating to any Products, it shall make available to the other Party, at the other Party's cost and expense, such employees and records reasonably necessary to permit the effective response to, defense of, or investigation of such matters, subject to appropriate confidentiality protections and such records shall be deemed Confidential Information of the disclosing party hereunder.

2.6 Semi-Annual Relationship Review.

The Parties will meet or speak by telephone during the last month of each semi-annual period following the Effective Date and at such other times as mutually agreed upon by the parties, to review their relationship and performance under this Agreement, including but not limited to, review of the Specifications. This review will not give rise to any amendment to the Agreement other than pursuant to Section 13.8 hereunder.

2.7 Documentation. Ovamed will supply all reasonable documentation related to the Products to support Collingwood's effort to obtain and maintain Regulatory Approval for the Sale of Products that is required to comply with guidance documents and regulations of Regulatory Authorities that is relevant to biological agents for human use (the "Documentation"). To the extent that the Documentation required to be supplied by Ovamed under this Section is documentation, or is substantially the same as documentation, that Ovamed has, at the time, in its possession, then Ovamed shall supply such Documentation without any additional charge to Collingwood; otherwise, Collingwood shall pay to Ovamed an amount equal to Ovamed's fully burdened costs, including, but not limited to, overhead, incurred in performing the work required to prepare such Documentation.

3. DELIVERY, ACCEPTANCE, REJECTIONS.

3.1 Delivery.

3.1.1 Delivery. Ovamed shall deliver all Products ordered under this Agreement corresponding to the quantities, delivery dates and delivery locations set forth in each Purchase Order provided to Ovamed pursuant to and in accordance with Section 2.3. All Products shipped pursuant to the terms of this Agreement shall be manufactured not more than [*******] preceding the shipment date, labeled and packed for shipment in accordance with the Specifications set forth on Exhibit A, and shall be marked for shipment to the designated location specified in the Purchase Order. All deliveries of Products will be to the designated location specified in the Purchase Order. Ovamed will have no further responsibility for Products after, and all risk of damage to or loss or delay of Products will pass to Collingwood upon, delivery by Ovamed to the designated carrier. The prices of the Products include all palletizing, packing, crating and storage charges at Ovamed facility, other than as set forth in Section

3.1.2 below. Collingwood will pay for all freight, insurance and other shipping expenses incurred during shipment to the designated location and Ovamed shall be responsible for clearing the Product for import, export and for other customs matters. Both parties (Ovamed and Collingwood) shall consult with each other in advance of each shipment and shall cooperate with each other to permit Ovamed to make suitable shipping, insurance, customs and related arrangements. Ovamed shall obtain all appropriate approvals and consents of any governmental authority in the United States or other relevant jurisdictions, as applicable, necessary for the manufacture (including packaging), and exportation from the place of manufacture of the Products to Collingwood and Ovamed shall comply with all applicable laws and regulations pertaining thereto.

3.1.2 Except to the extent resulting from Ovamed's failure to comply with its obligations under this Agreement, Collingwood will bear the actual and reasonable costs (including storage) resulting from Collingwood's failure to receive Products at scheduled times.

3.2 Acceptance and Rejection.

3.2.1 Acceptance. Ovamed will provide Collingwood with a certificate of analysis for each invoiced Product substantially in the form of Exhibit D. Each shipment of Product will be deemed accepted by 5:00 p.m. EST on the [*******] after receipt by Collingwood unless Collingwood notifies Ovamed prior to such time that the shipment (i) contains any discrepancy between the actual quantity of Product supplied and the quantity of Product quoted in the supply documents delivered with the applicable Products, (ii) is incorrectly invoiced, or (iii) does not contain a certificate of analysis showing conformity of the Product with the Specifications. The shipment will be deemed rejected upon delivery of such notice by Collingwood; provided, however, if the original shipment of the Product is found to be conforming, then Collingwood shall pay to Ovamed any due amount plus interest in the amount of [8]% per year of the unpaid amount. Each shipment of Product(s) accepted by Collingwood under this Agreement will be subject to inspection and performance testing by Collingwood within a period of [*******] after receipt of a particular shipment of Product(s) (as applicable, the "Inspection Period") to determine whether the Product(s) in such shipment complied at the time of delivery to the carrier at Ovamed's facilities with the Specifications and any applicable warranties under this Agreement. Collingwood shall promptly, but in no event more than [*******] after the Inspection Period (the "Notice Period"), notify Ovamed if any particular shipment did not so comply with the Specifications or applicable warranties at the time of delivery to the carrier. Upon request by Collingwood, during the Inspection Period, Ovamed will promptly provide copies of completed batch records (including deviations and corrective actions), and Collingwood shall pay for the actual costs of copying and sending such batch records on a cost basis. If Collingwood and Ovamed reasonably determine that the Product(s) did not comply with the Specifications or the applicable warranties under this Agreement at the time of delivery to the carrier, Collingwood shall promptly notify Ovamed

of such non-compliance, but in no event more than the later of (x) [*******] after Collingwood's receipt of all such completed batch records or (y) the expiration of the Notice Period. If the Parties are unable to agree on whether such non-compliance has occurred within [*******], then the Parties shall promptly engage a third party testing laboratory, mutually agreed upon and that shall enter into a confidentiality Agreement with Ovamed and Collingwood, to determine whether such non-compliance has occurred prior to the delivery of Product(s) to the carrier. The costs of such third party testing laboratory shall be borne by Collingwood, unless such third party testing laboratory determines that the particular shipment of Product was non-compliant at Ovamed's facilities at the time of delivery to the carrier, in which case such costs shall be borne by Ovamed. If Collingwood does not deliver written notice to Ovamed during the Notice Period that Collingwood rejects such shipment because of a non-compliance at the time of delivery to the carrier at Ovamed's facilities, Collingwood will be deemed to have accepted the shipment, subject to any right it may have under law or this Agreement.

3.2.2 Replacement; Expenses. If a Product shipment is rejected by Collingwood under Section 3.2.1(iii) or because such shipment did not comply at the time of delivery to the carrier with the Specifications and any applicable warranties under this Agreement as set forth in Section 3.2.1 above (subject to the dispute resolution procedure set forth therein), then Collingwood may, at its discretion, either (i) obtain a credit or refund, in [*******]'s sole discretion, for the amount paid by Collingwood for the non-conforming Product or (ii) require Ovamed to correct or replace, in [*******]'s sole discretion, the non-conforming Product so that it complies. If Collingwood requests, Ovamed agrees to correct or replace any such Product as soon as is practicable but no later than [*******] after Collingwood's request for such correction, and will bear all reasonable expenses of making such corrections. If Ovamed is unable to so correct or replace the Product within such [*******] period, it will so notify Collingwood no later than [*******] after the end of such [*******] period, whereupon Collingwood will have the option, at its sole discretion, to (x) require Ovamed to credit Collingwood for the amount paid by Collingwood for such Product or (y) require Ovamed to use all commercially reasonable efforts to promptly replace the Product at Ovamed's expense. Upon Ovamed's request and at Ovamed's expense Collingwood shall return or dispose of the non-conforming Products. Without limiting the foregoing, Ovamed will reimburse or credit Collingwood for any costs or expenses paid by Collingwood at the instructions of Ovamed or as required by relevant regulations related to the return, repair or destruction of the non-conforming Product(s). Notwithstanding the foregoing, if the original shipment of Product is found to be conforming, then Collingwood shall pay for the replacement shipment in accordance with the terms of this Agreement plus interest as applicable to late payment. Any credit or refund due under this Section will bear interest, which shall accrue at an annual percentage rate equal to the lesser of [*******] percent ([*******]%) per month or the maximum rate allowable by law at the date of such credit or refund is due until such refund is paid or such credit is used.

3.3 Late Delivery Credit.

3.3.1 Credit. Subject to a Force Majeure Event, if Ovamed fails to deliver any Products within [*******] after the delivery date specified in an accepted Purchase Order to the designated location specified in the Purchase Order, Ovamed will give Collingwood a credit to be applied to the purchase price owed for such Product(s) (a "Late Delivery Credit"); provided, that (a) such credit shall be applied to future payments due by Collingwood under this Agreement, if any; and (b) except as set forth in Section 8.2.1 and 8.2.2, such Late Delivery Credit shall be Collingwood's sole and exclusive remedy for any such delay. The amount of the Late Delivery Credit will vary based on the number of days a delivery follows the date specified in the accepted Purchase Order, and will equal the following percentage of the purchase price for the Product(s) that is delivered late:

Number of Days Late	Late Delivery Credit
[*******]	[*******]% of the purchase price for late Product
[*******]	[*******]% of the purchase price for late Product
[*******]	[*******]% of the purchase price for late Product

Collingwood may apply the Late Delivery Credit to reduce the amount due to Ovamed under the invoice for late-delivered Product. In the event that Ovamed knows that any Product being shipped to Collingwood will be delivered more than [*******] after the delivery date specified in the accepted Purchase Order for such Product due to reasons that are within Ovamed's control, Ovamed will note the Late Delivery Credit that applies to that Purchase Order in the invoice for that Purchase Order.

4. RECALLS, ADVERSE EVENT REPORTING, COMPLAINTS; REGULATORY.

4.1 Recalls.

4.1.1 Recalls of Product. Collingwood shall promptly notify Ovamed of any recall, product withdrawal, or field correction to the Product, and provide copies of all press releases related to such action, whether or not effected voluntarily or requested or ordered by any federal or state agency or government agency. Ovamed may recommend a recall, product withdrawal or field correction, however, subject to Ovamed's obligation to adhere to all applicable laws and regulations, the decision to conduct such an activity shall be Collingwood's alone. Ovamed shall reasonably cooperate with Collingwood as necessary to effectuate any such recall, withdrawal or correction, at Collingwood's sole cost and expense. Subject to applicable law, regulation or Regulatory Authority request, Collingwood or its designee shall make all contacts with the FDA and any other regulatory agencies, shall be responsible for coordinating all of the necessary activities in connection with such recall, product withdrawal, or field correction and shall make any statements to the media,

including, but not limited to, press releases and interviews for publication or broadcast related to such recall, product withdrawal, or field correction; *provided* that, Collingwood will provide Ovamed written notice concurrently or as soon as practicable after Collingwood makes any statement to the FDA, regulatory agency, media and/or to the public related to a recall, product withdrawal, or field correction that specifically refers to Ovamed or is reasonably related to any of the Products, which sets forth such statement. Ovamed will reasonably cooperate with Collingwood in the conduct of such activities. Collingwood shall keep Ovamed fully informed of progress and shall consult with Ovamed in relation to all material decisions or actions as may reasonably relate to a recall, product withdrawal, or field correction of the Products.

4.1.2 Recall Expense. Ovamed shall bear the full expense of both Parties incurred in any recall, withdrawal or correction of the Product resulting from (i) failure of any Product to meet the Specifications at the time of delivery of such Product by Ovamed to the carrier, or (ii) Ovamed's failure to manufacture any Product in accordance with CGMP and all other applicable laws, and Collingwood shall bear the full expense of both Parties incurred in any other recall, withdrawal or correction of the Product. Any dispute between the Parties as to which Party is responsible for a defect will be made by an independent arbitrator, mutually satisfactory to the Parties, and having sufficient scientific and manufacturing skills necessary to adjudicate upon the matter in dispute. The costs of such arbitrator will be borne by the Party against whom the arbitrator rules. Such expenses of recall shall include, without limitation, the expenses of notification and destruction or return of the recalled Product and the sum paid by a third party for the recalled Product. In the event, however, that a recall is partially caused by reasons as set forth in subsections (i) and/or (ii) of this Section 4.1.2 and partially for other reasons, then each Party shall be responsible for its proportionate share of the recall expenses based on its proportionate share of causation.

4.2 Adverse Experience Reporting.

Each Party shall cooperate with the other Party and provide all assistance reasonably requested by the other Party for the other Party to respond in a timely fashion to Regulatory Authorities in the event of product complaints, Field Alert Reports, SUSARs, or Adverse Event reports which require submission to Regulatory Authorities as expedited reports, e.g., 15-day Alert Reports or in other regulatory submissions including but not limited to IND Annual Reports and NDA/BLA Annual Reports or Periodic Safety User reports, each as defined by the applicable Section of the U.S. Code of Federal Regulations, in accordance with current FDA and any other applicable guidance and regulations, including without limitation providing to the other Party all Regulatory Information in its possession reasonably required for FDA compliance. Each Party may use such information to meet its respective legal and regulatory obligations. The capitalized terms used in this Section but not defined in this Agreement shall have the customary meaning under current FDA and European Union guidance and regulations.

4.3 Complaints.

Unless otherwise required by law, Collingwood shall have sole responsibility and authority to respond to any customer or other complaints with respect to the Products or other aspects of the Product; provided, however, Collingwood will provide Ovamed written notice concurrently with or as soon as practicable after Collingwood makes any statement to such complaining party, the FDA, regulatory agency, media and/or to the public in response to any complaint that may be reasonably related to the Products that specifically refers to Ovamed or any of the Products, which sets forth such statement. Except as otherwise provided herein, Ovamed will not be liable or made responsible for any act or cost incurred or committed by Collingwood in connection with any action taken by Collingwood under this Section. Each Party shall promptly advise the other Party of all relevant details if it receives any complaints pertaining to the Product. Collingwood shall promptly advise Ovamed of all relevant details if it receives any significant complaints pertaining to the Product (except that any complaints pertaining to the Product that require a report to a Regulatory Authority shall be deemed to be significant), and Ovamed shall promptly advise Collingwood of all relevant details if it receives any significant complaints pertaining to the Product (except that any complaints pertaining to the Product that require a report to a Regulatory Authority shall be deemed to be significant). Subject to the foregoing, Ovamed shall provide reasonable cooperation and assistance to Collingwood in responding to complaints with respect to the Products.

4.4 Regulatory Approvals.

The Parties shall fully cooperate in good faith, and shall provide all reasonable assistance and information, in a timely manner, to each other, to obtain and maintain all Regulatory Approvals that are required to manufacture, distribute, use or sell the Products, including without limitation the preparation, filing and maintenance of any U.S. Biological License Application or European Marketing Authorization (or equivalent in other jurisdictions). If there are incremental regulatory filing fees that are applicable to the Products, Collingwood will bear such regulatory fees. The parties shall also reasonably assist each other in responding to requests and inquiries from applicable Regulatory Authorities prior to, during and after regulatory review periods, including without limitation, providing all data, records and reports required in order to comply with the regulatory Authority request.

5. QUALITY AND CAPACITY.

5.1 Ovamed Representations, Warranties and Covenants.

Ovamed hereby represents, warrants and covenants to Collingwood that the Products [*******]: (a) shall be manufactured in compliance with CGMP and all other applicable regulatory and governmental regulations, as applicable; (b) shall conform to the certificates of analysis supplied with each shipment pursuant to Section 5.2; and (c) shall be free and clear of any lien or encumbrance and Ovamed will have all rights necessary to transfer title to the Products to Collingwood. The foregoing warranty shall not apply to the extent that the Product has been subject to use or other conditions not in accordance with the applicable Specifications, or has otherwise been the subject of mishandling, misuse, neglect, alteration or damage by the carrier or Collingwood.

5.2 Testing of Product for Conformance with Specifications.

Ovamed will test each batch of the Products supplied to Collingwood under this Agreement and provide Collingwood with a written certificate of analysis (in the form set forth in Exhibit D) along with each batch of Products that confirms that such Product meets the Specifications and warranties under this Agreement. Collingwood may retest each batch of Products and perform other performance measurements in accordance with Section 3.2.1 of this Agreement to confirm that such batch meets the applicable Specifications and warranties in accordance with this Agreement.

6. CHANGES IN SPECIFICATIONS OR MANUFACTURING PROCEDURES.

6.1 Sponsored Changes.

6.1.1 Changes Sponsored by Collingwood. Collingwood shall notify Ovamed in writing of a Change Request proposed by Collingwood no less than 180 days prior to the proposed effective date for the Change Request. The notification shall include a description of the proposed changes, information regarding medical, clinical, and regulatory factors and the proposed implementation date. Notification shall also include the reasonably appropriate documentation to support Ovamed's investigation of the impact of this proposal. Ovamed may review the feasibility of the implementation and any other aspect of the proposed Change Request. Ovamed shall use commercially reasonable efforts to advise Collingwood of its decision with respect to the proposed Change Request as soon as practicable but in any case no later than within 120 days after receipt of Collingwood's written notification. No Change Request shall be made by Collingwood without Ovamed's prior written approval, which approval may be provided or withheld in Ovamed's reasonable discretion. Until a Change Request has been agreed to in writing by both Parties, the Change Request shall not be effective, and the Parties shall continue to perform their obligations under the then-effective Specifications. Any change that is in connection with the Minimum Batch Size and in connection with a mandatory change resulting from a Regulatory Authority communication, shall not be considered a Change Request sponsored by Collingwood.

6.1.2 Changes Sponsored by Ovamed. Ovamed shall notify Collingwood in writing of a Change Request proposed by Ovamed no less than 180 days prior to the proposed effective date for the Change Request. If so proposed, Ovamed will provide Collingwood with samples of Product that incorporates or is a result of the Change Request. The notification shall include a description of the proposed changes, information regarding medical, clinical, and regulatory factors and the proposed implementation date. Notification shall also include the reasonably appropriate documentation to support Collingwood's investigation of the impact of this proposal. Collingwood may review the feasibility of the implementation and any other aspect of the proposed Change Request. Collingwood shall use commercially reasonable efforts to advise Ovamed of its decision with respect to the proposed Change Request as soon as

practicable but in any case no later than within 120 days after receipt of Ovamed's written notification. No Change Request shall be made by Ovamed without Collingwood's prior written approval, which approval may be provided or withheld in Collingwood's reasonable discretion. Until a Change Request has been agreed to in writing, the Change Request shall not be effective, and the Parties shall continue to perform their obligations under the then-effective Specifications. Any change that is in connection with the Minimum Batch Size and in connection with a mandatory change resulting from a Regulatory Authority communication, shall not be considered a Change Request sponsored by Ovamed.

6.1.3 FDA Agreement. To the extent that a Change Request accepted or proposed by Collingwood will require any filing with any Regulatory Authority or the granting of any Regulatory Approval for the Product, each Party shall reasonably cooperate with each other and take all reasonable actions and provide all information as may be reasonably requested by Collingwood or Ovamed in connection with preparing such filings and obtaining such Regulatory Approval. Costs incurred by Ovamed in connection with the above will be subject to the terms of Sections 6.1.1 and 6.1.2 above. Without limiting any other provision of this Article 6, Ovamed will not change any aspect of the Product or the process by which the Product is manufactured that requires the FDA approval if the FDA does not provide written confirmation, prior to making the change, that the change will not terminate or otherwise impair any Regulatory Approval for the Product. Collingwood will support and assist Ovamed in any communications with the FDA that may be required as described above in order to achieve such FDA confirmation.

6.2 Impact on Inventory.

Any agreed modification following a Change Request shall only take effect once all Product manufactured pursuant to the previous Specifications and already scheduled for delivery has been delivered under the terms of this Agreement.

7. PAYMENT.

7.1 Price.

In consideration of Ovamed's manufacture and supply of Products hereunder, Collingwood shall pay to Ovamed an amount equal to the total number of Units delivered in each calendar quarter (the "Actual Amount") multiplied by the corresponding Price (per Unit), as defined in the following sentence, minus any Late Delivery Credit owed to Collingwood under Section 3.3 of this Agreement (the "Interim Amount"). On the Effective Date of this Agreement, the "Price" shall be $[*******] per Unit for clinical supplies and $[*******] per Unit for commercial supplies. During the Term, Ovamed will use commercially reasonable efforts to decrease the cost of goods sold to Collingwood (as determined in accordance with generally accepted accounting principles, consistently applied). Ovamed will promptly notify Collingwood of any such decreases and the Price shall be decreased by [*******]% of any such decrease in cost of goods sold. In case the FDA or other official Regulatory Authority mandates that more than [*******] Units

to be dosed to the patient Collingwood shall not be required to pay an amount greater than: (i) [*******] Dollars ($[*******]) per patient per year for total commercial supplies of Units in the first year in which Units are administered to a patient; and (ii) [*******] Dollars ($[*******]) per patient per year for total commercial supplies of Units in any subsequent year following the first year in which Units are administered to a patient.

7.2 Milestone Credit.

So long as Collingwood makes the milestone payments to Ovamed which are set forth in Sections 4.3.1 and 4.3.2 of the Sublicense (the "IND Milestone Payments"), Ovamed will give Collingwood a credit, said credit not to exceed [*******] Dollars ($[*******]), to be applied to the purchase price owed for any Units purchased for clinical supplies of Products up to the aggregate amount of the IND Milestone Payments. To the extent that the aggregate amount of IND Milestone Payments exceeds the aggregate purchase price of clinical supplies, any excess will be applied as a credit against the purchase price of any commercial supplies of Products.

7.3 Payment.

Ovamed will invoice Collingwood for Products upon delivery. Amounts owed under invoices shall be due and payable in U.S. currency within [*******] after date of such invoice, subject to the offset described in Section 7.1. A late payment charge calculated from the date such payment was due at the [*******] or the highest interest rate allowed by applicable law shall be charged upon all unpaid amounts due hereunder. All payments due hereunder shall be made by wire transfer from a bank in the United States in immediately available funds to a bank designated by Ovamed, or such other bank upon prior written notice.

7.3 Overdue Amounts; Disputes.

Subject to Section 3.2.1, in the event that [*******] disputes in good faith any amount that Ovamed claims to be due under this Agreement [*******] may so notify Ovamed at the time such payment is made, and if any disputed amount is ultimately determined to not be due hereunder Ovamed will refund promptly [*******] or the highest rate allowable by law at the date of such decision.

8. TERM AND TERMINATION.

8.1 Term.

Unless terminated in accordance with Section 8.2, the term (the "Term") of this Agreement shall commence on the Effective Date and shall continue until the fifth anniversary of the Effective Date, unless earlier terminated pursuant to the terms of this Agreement, provided that Collingwood may extend the Term for successive one (1) year periods by providing written notice of such extension to Ovamed not later than 12 months prior to the then expiration date of the Term.

8.2 Termination.

8.2.1 Termination for Cause. Either Party may terminate this Agreement immediately without penalty or further obligation to the other, upon written notice to the other Party if (i) the other Party makes a general assignment for the benefit of creditors, or a receiver or similar officer is appointed to take charge of all or substantially all of the other Party's assets; (ii) the other Party ceases to carry on its business; (iii) a bankruptcy or similar petition is filed by the other Party or a final insolvency order is issued against the other Party, and in the case of an involuntary petition, the proceeding is not dismissed within 120 days; or (iv) the other Party is in material breach of any material representation, warranty, covenant or obligation under this Agreement, and such breach is not cured within 60 days of receiving written notice thereof. Without limiting the foregoing, Collingwood shall have the right to terminate this Agreement as provided in any of Sections 8.2.2 through 8.2.6. The Parties agree that a "material breach of a material obligation" includes but is not limited to any failure by Ovamed to deliver (x) at least [*******]% of the amount of Product in any particular order pursuant to Section 3.1 within [*******] of the required delivery date, (y) [*******]% of the amount of Product in any particular order pursuant to Section 3.1 within [*******] of the required delivery date or (z) certification reasonably satisfactory to Collingwood pursuant to Section 2.2.

8.2.2 Failure to Supply. The parties will agree about the quantity to be delivered in forecasts that will be determined by the parties each year. In the event that Ovamed fails (i) to satisfactorily supply at least [*******]% of the amount of Product in any particular order within [*******] of the required delivery date or at least [*******]% of the amount of Product in any particular order within [*******] of the required delivery date, (ii) to substantially perform its obligations in connection with United States or other relevant Regulatory Approval of the Products and such failure has continued for more than [*******], or such longer period as reasonably necessary to cure such failure or such period required by the relevant Regulatory Approval authority, or (iii) to have adequate operational manufacturing facilities such that it is unable to manufacture Product, or unable to manufacture product in accordance with Specifications, for a period of [*******] or more ((i), (ii) and (iii) individually or collectively referred to herein as the "Manufacturing Failure"), and (x) Ovamed does not, at the time, have the right to terminate this Agreement under Section 8.2.1 and (y) Collingwood has not, at the time, developed a commercial second source (on commercially reasonable terms) for a product that can be substituted for the Product and that can meet the supply shortage resulting from Ovamed's failure to supply, then, upon notice of such failure from Collingwood, Collingwood may terminate this Agreement and receive a worldwide, royalty-free, perpetual, non-transferable (except as set forth in Section 13.3 below), non-exclusive, fully paid license, with the right to grant sublicenses for the sole purpose of manufacturing the Product on behalf of Collingwood (provided each such sublicensee signs a confidentiality agreement with Ovamed on terms consistent with the confidentiality obligations under this Agreement), under all intellectual property

owned by Ovamed or for which Ovamed has the right to grant a license or sublicense pursuant to this Section and which is reasonably necessary or useful to manufacture and sell the Product in the Field of Use (the "Manufacturing IP") (collectively, the "Manufacturing Failure License"), and such license shall be effective immediately upon notice of such election by Collingwood, and (b) Ovamed shall provide all assistance reasonably requested by Collingwood to assist Collingwood or a third party acting on behalf of Collingwood in the manufacturing of the Product in accordance with the Specifications, *provided however*, that Collingwood shall reimburse Ovamed for any reasonable expenses it incurs in relation to its rendering of such assistance; Notwithstanding anything to the contrary herein, if Ovamed delivers to Collingwood a remediation plan reasonably acceptable according to which full remediation of any Manufacturing Failure will be achieved within [*******] from the first date of such Manufacturing Failure, then this Agreement shall remain in effect, *provided however*, that Collingwood shall have the right to use and have used all Manufacturing IP to manufacture or have manufactured Product during such period that Ovamed is engaged in such remediation. Such plan shall be delivered to Collingwood within 30 days after the failure occurred. Collingwood may terminate this Agreement immediately, without penalty or further obligation to Ovamed, if Ovamed fails to achieve remediation within such [*******] period and Collingwood shall immediately be entitled to the Manufacturing Failure License.

8.2.3 Failure to Obtain Regulatory Approval for the Product. Collingwood may terminate this Agreement immediately, without penalty or further obligation to Ovamed, if Collingwood fails to obtain Regulatory Approval for the Product in the United States, provided that Collingwood will be obligated to: (i) purchase such quantity of Products that is already scheduled for delivery in the three (3) month period following the date Collingwood notifies Ovamed of such withdrawal requirement ("Withdrawal Notice Date"), and (ii) pay for costs actually incurred by Ovamed, as of the date of termination pursuant to this Section, in performing the work required under an Collingwood sponsored Change Request.

8.2.4 Early Failure in Clinical Trials. Collingwood may terminate this Agreement immediately, without penalty or further obligation to Ovamed, if the Product fails (i) preclinical pharmacology and toxicology studies or (ii) any clinical trial (or the results from a clinical trial are such that, in Collingwood's good faith judgment, it would not be commercially reasonable to continue development of the Product) within 12 months of the Effective Date, provided however, that Collingwood will pay for costs actually incurred by Ovamed, as of the date of termination pursuant to this Section, in performing the work required under an Collingwood sponsored Change Request.

8.2.5 Withdrawal from US or Other Market. In the event FDA or any other Regulatory Authority requires that the Product be withdrawn from the applicable market, or in the event that Collingwood at any time determines that it is not, or will not be, commercially feasible to market the Product in the United States or other relevant market, then Collingwood shall have the right, on each such occurrence, to terminate this Agreement immediately, without penalty or further obligation to Ovamed, provided however, that if such withdrawal arises as a result of a component other than the Product, Collingwood will be obligated to: (i) purchase such quantity of Products that is already scheduled for delivery in the three (3) month period following the date Collingwood notifies Ovamed of such withdrawal requirement ("Withdrawal Notice Date"), and (ii) pay for costs actually incurred by Ovamed, as of the date of termination pursuant to this Section, in performing the work required under an Collingwood sponsored Change Request.

8.2.6 Termination of Sublicense. This Agreement will terminate immediately upon the termination of the Sublicense.

8.3 Survival.

The Parties agree that any provisions which by their nature should survive termination or expiration of this Agreement to give effect to their intent, shall survive, including without limitation, Articles 4 (Recalls, Adverse Event Reporting, Complaints), 7 (Payment), 9 (Indemnification and Insurance), 10 (Liability), 11 (Intellectual Property), 12 (Confidential Information), and Sections 8.4 (Survival), 13.1 (Correspondence and Notices), 13.5 (Use of Name), 13.9 (Waiver), 13.10 (Severability), 13.12 (Governing Law), and 13.13 (Jurisdiction; Venue; Service of Process).

9. INDEMNIFICATION AND INSURANCE.

9.1 Ovamed Indemnification of Collingwood.

Ovamed will defend, indemnify, and hold Collingwood, its officers, directors, employees, and agents (each an "Indemnified Party") harmless against any and all third party Liabilities to the extent arising from (i) any asserted infringement or other violation of any third party Intellectual Property Rights arising from Ovamed's manufacture or supply to Collingwood of the Products under this Agreement; or (ii) any third party claim arising from personal injury caused by a defect in the manufacture or workmanship of the Product (including claims arising from the Products not meeting the Specifications at the time of delivery).

9.2 Collingwood Indemnification of Ovamed.

Collingwood will defend, indemnify, and hold Ovamed, its officers, directors, employees, and agents harmless (each an "Indemnified Party") against any and all third party Liabilities to the extent arising from (i) any third party claim against Ovamed asserting infringement or other violation of any third party Intellectual Property Rights arising from the Product (but only to the extent the claim does not arise from the manufacture, use or sale of the Products); or (ii) any third party claim arising from a personal injury caused by a defect in the Product (but only to the extent the claim does not arise from the Products not meeting the Specifications at the time of delivery).

9.3 Procedure.

Each Party will promptly notify the other Party in writing in the event it becomes aware of a claim for which indemnification may be sought hereunder. In case any proceeding (including any governmental investigation) shall be instituted involving any Party in respect of which indemnity may be sought pursuant to this Article 9, such Party will promptly notify the other Party (the "Indemnifying Party") in writing. The Indemnifying Party shall have sole control of any such claim. The Indemnified Party will reasonably cooperate with the Indemnifying Party in defense of such matter. In any such proceeding, the Indemnified Party will have the right to retain its own counsel, but the fees and expenses of such counsel shall be at the expense of the Indemnified Party. The Indemnifying Party shall not be liable for any settlement of any proceeding effected without its written consent, but, if settled with such consent or if there be a final judgment for the plaintiff, the Indemnifying Party agrees to pay any such settlement or final judgment. The Indemnifying Party shall not, without the written consent of the Indemnified Party, effect any settlement of any pending or threatened proceeding in respect of which the Indemnified Party is, or arising out of the same set of facts could have been, a party and indemnity could have been sought hereunder by the Indemnified Party, unless such settlement includes a release of the Indemnified Party from all liability on claims that are the subject matter of such proceeding.

9.4 Insurance.

Ovamed agrees to maintain during the Term and for three (3) years thereafter, at its own expense, insurance from a reputable and financially secure insurance company, providing $[*******] of protection per any one occurrence and for the insurance period against Ovamed's legal liability deriving from claims, suits, losses and damages arising out of alleged defects in the Products. Collingwood will be named as an additional insured under such policy and Ovamed will provide, at Collingwood's request, a certificate of insurance evidencing its obligations hereunder. Such certificate shall provide Collingwood with thirty (30) days written notice of cancellation, modification or termination of such insurance. All such insurance policies will provide a worldwide coverage territory including suits brought within the United States, its territories and possessions.

Collingwood agrees to maintain during the Term and for three (3) years thereafter, at its own expense, insurance from a reputable and financially secure insurance company, providing at least $[*******] of protection per any one occurrence and for the insurance period against Collingwood's legal liability deriving from claims, suits, losses and damages arising out of alleged defects in the Product. Ovamed will be named as an additional insured under such policy and Collingwood will provide, at Ovamed's request, a certificate of insurance evidencing its obligations hereunder. Such certificate shall provide Ovamed with thirty (30) days written notice of cancellation, modification or termination of such insurance. All such insurance policies will provide a worldwide coverage territory including suits brought within the United States, its territories and possessions.

Each Party hereby waives any claims against the other (whether founded upon the indemnification provisions contained in this Agreement or otherwise) to the extent any such claim is covered by such waiving Party's insurance carrier, and loss proceeds are paid to and

received by such waiving Party, and provided such waiver (i) is not in violation of the policies of insurance under which such loss proceeds are so paid; (ii) does not invalidate such insurance and (iii) does not disproportionately increase the premiums thereof.

10. LIABILITY.

IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY KIN) OR NATURE ARISING OUT OF THIS AGREEMENT, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT (INCLUDING THE POSSIBILITY OF NEGLIGENCE OR STRICT LIABILITY), OR OTHERWISE, EVEN IF THE PARTY HAS BEEN WARNED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE, AND EVEN IF ANY OF THE LIMITED REMEDIES IN THIS AGREEMENT FAIL OF THEIR ESSENTIAL PURPOSE.

11. INTELLECTUAL PROPERTY.

11.1 Ownership of Intellectual Property. All Intellectual Property Rights developed or conceived by either party in connection with this Agreement ("Developments") shall be owned by the party who invented such Development (where inventorship is defined based on concept of inventorship set forth by the patent laws of the United States). Ovamed has the worldwide, fully paid, perpetual exclusive right to fully exploit such Developments as required to perform its obligations under this Agreement. As long as Collingwood purchases products — fully paid - from Ovamed under this agreement, Collingwood has the worldwide, fully paid, perpetual license to fully utilize any Developments owned by Ovamed. Collingwood agrees to reasonably cooperate when requested by Ovamed, at Ovamed's expense, in enforcing Ovamed's Intellectual Property Rights embodied in the Developments, including without limitation prosecuting and maintaining patent applications and patents and being joined as a party to an action brought by Ovamed to enforce such rights. Ovamed agrees to reasonably cooperate when requested by Collingwood, at Collingwood's expense, in enforcing Collingwood's Intellectual Property Rights embodied in the Developments, including without limitation prosecuting and maintaining patent applications and patents and being joined as a party to an action brought by Collingwood to enforce such rights.

11.2 Cooperation. Each Party shall promptly notify the other Party of the development or conception of any subject matter arising under and in the performance of this Agreement prior to filing a patent application that discloses such subject matter. Notwithstanding the foregoing, the Parties acknowledge that the provisions of Article 12 will continue to apply to any proposed disclosure that includes Confidential Information of the other Party.

11.3 License of Ovamed Intellectual Property Rights. Subject to the terms and conditions of this Agreement, Ovamed hereby grants to Collingwood and its Affiliates a license under any Ovamed Intellectual Property Rights in order to sell the Product either by Collingwood directly or through third parties.

12. CONFIDENTIAL INFORMATION.

12.1 Confidentiality.

Except to the extent expressly authorized by this Agreement or otherwise agreed in writing, the Parties agree that, for the term of this Agreement and for [*******] thereafter, each Party (the "Receiving Party") receiving any Confidential Information of the other Party (the "Disclosing Party") hereunder will keep such Confidential Information confidential and will not publish or otherwise disclose or use such Confidential Information for any purpose other than as provided for in this Agreement, except for Confidential Information that the Receiving Party can establish:

(a) was already known by the Receiving Party (other than under an obligation of confidentiality) at the time of disclosure by the Disclosing Party and the Receiving Party has documentary evidence to that effect;

(b) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the Receiving Party;

(c) became generally available to the public or otherwise part of the public domain after its disclosure or development, as the case may be, other than through any act or omission of the Receiving Party or any of its Affiliates;

(d) was disclosed to the Receiving Party, other than under an obligation of confidentiality, by a Third Party who had no obligation to the Disclosing Party not to disclose such information to others; or

(e) was independently discovered or developed by or on behalf of the Receiving Party without the use of any Confidential Information belonging to the Disclosing Party and the Receiving Party has documentary evidence to that effect.

(f) is necessary to prepare and/or conduct litigation

12.2 Authorized Disclosure.

Notwithstanding the foregoing provisions of Section 12.1, each Party may disclose Confidential Information belonging to the other Party (i) to employees or Approved Subcontractors of the disclosing Party to the extent such disclosure is necessary for the disclosing Party to perform its obligations under this Agreement, or (ii) to the extent such disclosure is necessary, in the reasonable opinion of such Party's legal counsel, to prosecute or defend litigation or to comply with applicable governmental laws or regulations (including, but not limited to, securities laws and regulations), or (iii) to the extent such disclosure is necessary for any financing or corporate partnering activity of either parties provided that disclosure will be done under a signed CDA in a form substantially in accordance with the provisions of this

clause. In the event a Party deems it necessary to disclose to a third party any Confidential Information belonging to the other Party, pursuant to this Section 12.2, the Disclosing Party will to the extent possible give reasonable advance notice of such disclosure to the other Party and take reasonable measures to ensure, including without limitation redacting portions of this Agreement prior to disclosure, as reasonably requested by the other Party, and ensuring that such third party is bound by and complies with the confidentiality terms of this Agreement.

12.3 No Confidential Information of Other Parties.

Each Party represents and warrants to the other that it has not used and will not use in the course of its performance hereunder, and will not disclose to the other, any confidential information of any third party, unless it is expressly authorized in writing by such third party to do so.

12.4 Equitable Relief.

Each Party agrees that the other Party would be irreparably injured by a material breach of the confidentiality and nonuse provisions of this Agreement by the breaching Party or by other parties to whom such Party has disclosed Confidential Information, that monetary remedies would be inadequate to protect the other Party against any actual or threatened material breach of the provisions of this Article 12 by the breaching Party or by such other authorized third parties, without prejudice to any other rights and remedies otherwise available to the other Party, the breaching Party agrees, upon proof of any such actual or threatened material breach, to the granting of equitable relief, including injunctive relief and specific performance. It is further understood and agreed that no failure or delay by either Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

13. MISCELLANEOUS.

13.1 Correspondence and Notices.

All notices or other communications to a Party required or permitted hereunder will be in writing and will be delivered personally or by facsimile (receipt confirmed) to such Party (or, in the case of an entity, to an executive officer of such party) or will be given by certified mail, postage prepaid with return receipt requested, addressed as set forth below in this Section 13.1. Each Party may change its respective above-specified recipient and/or mailing address by notice to the other Party given in the manner herein prescribed. All notices will be deemed given on the day when actually delivered as provided above (if delivered personally or by facsimile) or on the day shown on the return receipt (if delivered by mail).

All correspondence to Collingwood shall be addressed as follows:

Collingwood Pharmaceuticals, Inc.
787 Seventh Avenue
New York, NY 10019
Attn: Frank Taffy
Tel: (212) 554-4385
Fax: (212) 554-4355

With a copy to:

Hemmie Chang, Esq.
Ropes & Gray LLP
One International Place
Boston, MA 02110
Tel: (617) 951-7317
Fax: (617) 951-7050

All correspondence to Ovamed shall be addressed as follows:

Ovamed GmbH
Kiebitzhörn 33-35
22885 Barsbüttel
Germany
Attention: Detlev Goj
Tel: +49-40-67 50 95-0

With a copy to:
Klaus Lodigkeit
c/o Vorberg Rechtsanwälte
Rappstraiße 16
20146 Hamburg
Germany

13.2 Compliance with the Laws; Permits and Licenses.

Each Party agrees that it will, in fulfilling its obligations under this Agreement, materially comply with all applicable laws including, but not limited to statutes, codes, rules, regulations, ordinances, judgments and decrees, now or hereafter in effect. Collingwood agrees that it will materially comply with all applicable laws including, but not limited to statutes, codes, rules, regulations, ordinance, judgments and decrees, now or hereafter in effect related to the development, manufacture and marketing of the Product. Collingwood also represents and warrants that it has all governmental and regulatory licenses and permits necessary to operate its facilities and fulfill its obligations under this Agreement. Ovamed also represents and warrants that it has all United States and any other governmental and regulatory licenses and permits necessary to operate its facilities and fulfill its obligations under this Agreement. Failure to comply with this Section 13.2 will be a material breach of the Agreement.

13.3 Assignment.

This Agreement and the rights and duties appertaining hereto may not be assigned by either Party without first obtaining the written consent of the other, which consent shall not be unreasonably withheld. Any such purported assignment, without the written consent of the other Party, shall be null and of no effect. Notwithstanding the foregoing, Collingwood may assign

this Agreement without the consent of Ovamed (i) to a purchaser, merging or consolidating corporation, or acquirer of substantially all of Collingwood's assets or business and/or pursuant to any reorganization qualifying under section 368 of the Internal Revenue Code of 1986 as amended, as may be in effect at such time, or (ii) to an Affiliate.

13.4 Force Majeure.

Neither Party shall be liable to the other for delay or failure in the performance of the obligations on its part contained in this Agreement if and to the extent that such failure or delay is due to circumstances beyond its control that it could not have avoided by the exercise of reasonable diligence, including without limitation, acts of God or of the public enemy, acts of the government in either its sovereign or contractual capacity, acts of terrorism, fires, floods, war, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, unusually severe weather, the failure of Ovamed's suppliers or carriers to meet their contractual obligations, or if necessary raw material is unavailable (each a "Force Majeure Event"). The Party relying on this Section will notify the other Party promptly in the event such circumstances arise, giving an indication of the likely extent and duration thereof, and will use all commercially reasonable efforts to resume performance of its obligations as soon as practicable; provided, however, that neither Party shall be required to settle any labor dispute or disturbance. During the period that the performance by one of the Parties of its obligations under this Agreement has been suspended by reason of an event of Force Majeure, the other Party may likewise suspend the performance of all or part of its obligations hereunder to the extent that such suspension is commercially reasonable.

13.5 Use of Name.

Except as required by law, neither Party will use any trade name, trademark or service mark of the other Party, or of any of the other Party's Affiliates, in any advertising, promotional or sales literature, offering materials, business plan or any other form of publicity without the other Party's prior written consent.

13.6 Language of the Agreement.

The language of this Agreement shall be English and the parties hereby waive, and agree that this Agreement shall be valid and enforceable notwithstanding, any requirement that it be written in or translated into any language other than English. If, for any reason, this Agreement is translated into a language other than English, the English language version shall be controlling for all purposes.

13.7 UN Convention on Contracts for Sale of Goods.

The parties expressly agree that the United Nations Convention on Contracts for the International Sale of Goods shall not apply to this Agreement.

13.8 Amendment.

No amendment, modification or supplement of any provision of this Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer of each Party.

13.9 Waiver.

No provision of the Agreement shall be waived by any act, omission or knowledge of a Party or its agents or employees except by an instrument in writing expressly waiving such provision and signed by a duly authorized officer of the waiving Party.

13.10 Severability.

If any clause or portion thereof in this Agreement is for any reason held to be invalid, illegal or unenforceable, the same shall not affect any other portion of this Agreement, as it is the intent of the Parties that this Agreement shall be construed in such fashion as to maintain its existence, validity and enforceability to the greatest extent possible. In any such event, this Agreement shall be construed as if such clause of portion thereof had never been contained in this Agreement, and there shall be deemed substituted therefore such provision as will most nearly carry out the intent of the Parties as expressed in this Agreement to the fullest extent permitted by applicable law.

13.11 Descriptive Headings.

The descriptive headings of this Agreement are for convenience only and shall be of no force or effect in construing or interpreting any of the provisions of this Agreement.

13.12 Governing Law.

This Agreement, the rights of the Parties and all claims arising under or in connection herewith, shall be governed by and interpreted in accordance with the substantive laws of Germany, without regard to conflict of law principles thereof that would cause the application of the laws of any other jurisdiction.

13.13 Jurisdiction; Venue; Service of Process.

13.13.1. Jurisdiction. Each Party by its execution hereof, (a) hereby irrevocably submits to the jurisdiction of the courts of Germany for the purpose of any claim, controversy, action, cause of action, suit or litigation ("Action") between the parties arising in whole or in part under or in connection with this Agreement, (b) hereby waives to the extent not prohibited by applicable law, and agrees not to assert, by way of motion, as a defense or otherwise, in any such Action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that any such Action brought in one of the above-named courts should be dismissed on grounds of forum non conveniens, should be transferred or removed to any court other than one of the above-named courts, or should be stayed by reason of the pendency of some other proceeding in any other court other than one of the above-named courts, or that this Agreement or the subject matter hereof may not be enforced in or by such court and (c) hereby agrees not to commence any such Action other than before one of the above-named courts. Notwithstanding the previous sentence a Party may commence any Action in a court other than the above-named courts solely for the purpose of enforcing an order or judgment issued by one of the above-named courts or in connection with injunctive relief.

13.13.2 . Venue. Each Party agrees that for any Action between the parties arising in whole or in part under or in connection with this Agreement, any Action brought shall be brought in Germany.

13.14 Entire Agreement.

This Agreement and the Exhibits attached hereto constitutes and contains the complete, final and exclusive understanding and agreement of the Parties and cancels and supersedes any and all prior negotiations, correspondence, understandings and agreements, whether oral or written, between the Parties respecting the subject matter hereof and thereof.

13.15 Conflicts.

The Parties agree that, to the extent there is an inconsistency between the terms of this Agreement and the terms of the Sublicense, the terms of the Sublicense shall govern.

13.16 Independent Contractors.

Both Parties are independent contractors under this Agreement. Nothing herein contained shall be deemed to create an employment, agency, joint venture or partnership relationship between the Parties hereto or any of their agents or employees, or any other legal arrangement that would impose liability upon one Party for the act or failure to act of the other Party. Neither Party shall have any express or implied power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other Party, or to bind the other Party in any respect whatsoever.

13.17 Counterparts.

This Agreement may be executed in any number of counterparts, each of which need not contain the signature of more than one Party but all such counterparts taken together shall constitute one and the same agreement.

[*Signature page follows.****]***

IN WITNESS WHEREOF, the parties hereto have as of the Effective Date duly executed this Agreement, including the attached Exhibits that are incorporated herein and made a part hereof.

COLLINGWOOD PHARMACEUTICALS, INC.

By: /s/ J. Jay Lobell
Name: J. Jay Lobell
Title: President

OVAMED GMBH

By: _____
Name:
Title:

Exhibit A

Specifications for TSO

Parameters	TSO specification

Vial

Name and address of manufacturer:

_____

Physical description: _____

Size: _____

Closure System

Product name: _____

Name and address of manufacturer:

_____

Physical description: _____

Size: _____

Exhibit B

Development and regulatory work to be performed by Ovamed

Raw Materials Index

Exhibit D

TSO US- Specification

Parameters	Specification

Clinical Plan for Product

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

Licence Agreement

between

UCL BUSINESS PLC

and

CORONADO BIOSCIENCES, INC

Dated November 5, 2007

PATENT AND KNOW-HOW LICENCE AGREEMENT

This Agreement dated November 5, 2007 is between:

(1) **UCL Business PLC**, whose registered office is The Network Building, 97 Tottenham Court Road, London W1T 4TP United Kingdom ("UCLB"); and

(2) **Coronado Biosciences, Inc** (the "Licensee") a Delaware corporation whose principal place of business is at 4365 Executive Dr. Ste 1500, San Diego, CA, 92121, United States of America.

Recitals:

A. UCLB has developed certain technology and owns certain intellectual property rights relating to Tumour Activated Natural Killer Cells ("TANKS") technology including the Patents and the Know-how.

B. The Licensee wishes to acquire rights under the Patents and to use the Know-how for the development and commercialisation of Licensed Products in the Field and in the Territory, all in accordance with the provisions of this Agreement.

It is agreed as follows:

1. Definitions

In this Agreement, the following words shall have the following meanings:

Affiliate	In relation to a Party, means any entity or person that Controls, is Controlled by, or is under common Control with that Party.
Claims	All demands, claims, actions and other proceedings (whether criminal or civil, in contract, tort or otherwise) by any third party (that is not an Affiliate) for Losses.
Commencement Date	5th November 2007.
Competing Product	A product that has the same chemical composition as a Licensed Product.
Completion	With respect to a specified human clinical trial, the achievement (as determined by the sponsor of such trial) of the primary clinical endpoint identified in the protocol for such trial.
Confidential Information	(a) All Know-how; and (b) All other technical or commercial information that: (i) in respect of information provided in documentary or by way of a model or in other tangible form, at the time of provision is marked or otherwise designated to show expressly or by necessary implication that it is imparted in confidence; and (ii) in respect of information that is imparted orally or other intangible form, any information that the Disclosing Party or its representatives informed the Receiving Party at the time of disclosure was imparted in confidence, and reasonable efforts are taken to summarise such information in writing, marked as confidential, within 30 days after the time of disclosure; and

(iii) is a copy of any of the foregoing; and

(iv) is not the subject of a Confidentiality Exception.

Confidentiality Exception	Has the meaning given in Clause 3.4.
Control	Direct or indirect beneficial ownership of 50% (or, outside a Party's home territory, such lesser percentage as is the maximum, permitted level of foreign investment) or more of the share capital, stock or other participating interest carrying the right to vote or to distribution of profits of that Party, as the case may be.
Diligent and Reasonable Efforts	Exerting such efforts and employing such resources as would normally be exerted or employed by a reasonable third party biotechnology company for a product of similar market potential at a similar stage of its product life, when utilizing sound and reasonable scientific, medical and business practice and judgment in order to attempt to develop and commercialize the product in a timely manner.
Disclosing Party	Has the meaning given in Clause 3.3.
EMEA	European Agency for the Evaluation of Medicinal Products.
Field	The prevention, treatment, diagnosis, detection, monitoring, and predisposition testing of all diseases, states or conditions in humans or other animals.
FDA	Food and Drug Administration (USA).
Generic Equivalent	In relation to a Licensed Product in a country of the Territory, means a product that (a) has the same chemical composition as that Licensed Product, (b) does not infringe a Valid Claim in that country, and (c) has obtained all requisite Regulatory Approval to be marketed or sold in that country.
Indemnitees	Has the meaning given in Clause 7.5.
Indication	A recognized disease, state or condition for a specific tissue or cell type
Investigational New Drug application (IND)	An Investigational New Drug application, or similar application to commence human clinical testing of a Licensed Product for use in the Field submitted to the FDA.
Know-how	Technical information in the Field developed in the Laboratory on or prior to the date of this Agreement under the supervision of the Principal Investigator, and within the definition of the Technology set out below and within the description set out in the attached Schedule 1 Part B, in each case that is not the subject of a Confidentiality Exception.

Laboratory	The laboratory of the Principal Investigator within University's Department of Haematology.
Licensed Products	Any and all products for use in the Field that (a) if made, used, sold, offered for sale or imported absent the license granted hereunder would infringe a Valid Claim, or (b) otherwise uses or incorporates, or their development makes use of, any of the Know-how.
Losses	All losses, liabilities, damages, legal costs and other expenses of any nature whatsoever and all costs and expenses (including without limitation legal costs) incurred in connection therewith.
MHLW	Ministry of Health, Labour and Welfare (Japan; formerly Ministry of Health and Welfare, MHW).
Net Receipts	With respect to any Licensed Product, the aggregate cash royalties received by Licensee or its Affiliates in consideration for the sublicense under the Patents or Know-how by Licensee or its Affiliates to a third party sublicensee with respect to such Licensed Product that are calculated solely on the basis of sales of such Licensed Product.
Net Sales Value	The invoiced price of Licensed Products sold by the Licensee or its Affiliates (or, for the purpose of calculating the minimum royalty payable under Clause 4.4(d) or 4.6 only, the invoiced price of Licensed Products sold by the sub-licensee) to independent third parties in arm's length transactions, after deduction of all documented: (a) cash, quantity and trade discounts, rebates and other price reductions given under price reduction programs; (b) credits, allowances, discounts and rebates to, and chargebacks from the account of, customers for nonconforming, damaged, out-dated and returned Licensed Product; (c) packaging, carriage, freight and insurance costs of transporting Licensed Products; (d) sales, use, value-added and other direct taxes; (e) customs duties, tariffs, surcharges and other governmental charges for exporting or importing; (e) sales commissions; and (f) an allowance for uncollectible or bad debts determined in accordance with generally accepted accounting principles; In each case, provided that such deductions do not exceed reasonable and customary amounts in the markets in which such sales occurred. Sales between any of the Licensee, its Affiliates and Sub-licensees shall not be considered for the purposes of this definition unless there is no subsequent sale to a person who is not the Licensee, its Affiliate or Sub-licensee in an arm's length transaction exclusively for money.
New Drug Application (NDA)	A New Drug Application, or similar application for marketing approval of a Licensed Product for use in the Field submitted to the FDA.

Parties	UCLB and the Licensee, and "Party" shall mean either of them.
Patents	(a) Any and all of the patents and patent applications referred to in Schedule 1 Part A; (b) all divisions, continuations, continuations-in-part, that are based on, or claim priority to or common priority with, the patent applications described in clause (a) above; and (c) all patents that have issued or in the future issue from any of the foregoing patent applications, including utility, model and design patents and certificates of invention, together with any reissues, renewals, extensions or additions thereto.
Phase I Studies	A controlled human clinical trial in any country involving the administration of Licensed Product for the first time in human patients, the results of which could be used to establish the safety of a Licensed Product.
Phase II Studies	A controlled human clinical trial in any country involving the administration of Licensed Product in patients with the disease or condition of interest, the results of which could be used to initially establish the safety and efficacy of a Licensed Product.
Phase III Studies	A controlled human clinical trial in any country involving the administration of Licensed Product in patients with the disease or condition of interest, the results of which could be used to establish the safety and efficacy of a Licensed Product in a manner sufficient to obtain Regulatory Approval to market and sell such Licensed Product.
Principal Investigator	Dr Mark Lowdell.
Receiving Party	Has the meaning given in Clause 3.3.
Regulatory Approval	Means formal approval for commercial marketing, sale or use of the Licensed Product by the relevant government agency responsible for any such product in any such country.
Royalty Term	With respect to each Licensed Product in each country, the period equal to the longer of (a) if, at the time of the first commercial sale of such Licensed Product in such country, the use, offer for sale, sale or import of such Licensed Product in such country would infringe a Valid Claim (if such Valid Claim were in an issued patent), the term for which such Valid Claim remains in effect and would be infringed (if such Valid Claim were in an issued patent), and (b) ten (10) years following the date of the first commercial sale of a Licensed Product in the Territory; provided, however that the Royalty Term for a Licensed Product in a country shall terminate immediately three (3) months after the first commercial sale of a Generic Equivalent of such Licensed Product in such country.
Technology	All compositions, methods, data, information and other discoveries, inventions, innovations, improvements and technology regarding or relating to natural killer ("NK") cells, methods of activating NK cells and methods of producing or testing, or uses of any of the foregoing.

Territory	Worldwide.
Valid Claim	Either (a) a claim of an issued and unexpired patent included within the Patents, which has not been held permanently revoked, unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, and which has not been admitted to be invalid or unenforceable through reissue or disclaimer or otherwise or (b) a claim of a pending patent application included within the Patents, which claim was filed in good faith, is being actively prosecuted and has not been abandoned or finally disallowed without the possibility of appeal or refiling of such application.

2. Grant of rights

2.1 *Licences*. UCLB hereby grants to the Licensee, subject to the provisions of this Agreement:

(a) an exclusive licence under the Patents, with the right to sub-license through multiple tiers, subject to clause 2.3 below, to develop, manufacture, have manufactured, import, use, offer for sale and sell Licensed Products only in the Field in the Territory; and

(b) An exclusive licence to use the Know-how, with the right to sub-license through multiple tiers, subject to clause 2.3 below, to develop, manufacture, have manufactured, import, use, offer for sale and sell Licensed Products only in the Field in the Territory.

2.2 *Formal licences*. The Parties shall execute such formal licences as may be necessary or appropriate for registration with Patent Offices and other relevant authorities in particular territories. In the event of any conflict in meaning between any such licence and the provisions of this Agreement, the provisions of this Agreement shall prevail wherever possible. Prior to the execution of the formal licence(s) (if any) referred to in this Clause 2.2, the Parties shall so far as possible have the same rights and obligations towards one another as if such licence(s) had been granted. The Parties shall use reasonable endeavours to ensure that, to the extent permitted by relevant authorities, this Agreement shall not form part of any public record.

2.3 *Sub-licensing.*

The Licensee shall be entitled to grant sub-licences of its rights under this Agreement to any person, provided that:

(a) the sub-licence shall include obligations on the sub-licensee which are equivalent to the obligations on the Licensee under this Agreement and limitations of liability that are equivalent to those set out in this Agreement;

(b) without the prior written consent of UCLB (such consent not to be unreasonably delayed or withheld), the Licensee shall not enter into any agreement with a sub-licensee that provides for the payment of any consideration that would be fairly attributable to the grant of the sub-licence other than (i) royalties based on the sale of Licensed Products, and/or (ii) conventional milestones to be paid on the achievement of stages of product development prior to commercial sale (such as those stages set out in Clause 4.2);

(c) within 30 days of the grant of any sub-licence the Licensee shall provide to UCLB a true copy of it (with confidential information redacted, other than to the extent necessary to determine the financial obligations of Licensee hereunder regarding such sub-license); and

(d) the Licensee shall be responsible for any breach of the sub-licence by the sub-licensee, as if the breach had been that of Licensee under this Agreement; and

(e) Upon any termination of this Agreement, UCLB shall grant a direct license to any sub-license of Licensee hereunder having the same scope as such sub-license and on terms and conditions no less favorable to such sub-licensee than the terms and conditions of this Agreement, provided that such sub-licensee is not in any uncured default of any applicable obligations under this Agreement and agrees in writing to be bound by the terms and conditions of such direct license.

2.4 *Reservation of rights.*

(a) UCLB reserves for itself and its Affiliates the non-exclusive, irrevocable, worldwide, royalty-free right to use, and license other academic institutions to use, the Know-how and the Patents in the Field solely for the purposes of non-commercial academic research, publication and teaching.

(b) Except for the licences expressly granted by this Clause 2, UCLB reserves all its rights. Without prejudice to the generality of the foregoing UCLB grants no rights to any intellectual property other than the Patents and Know-how, and reserves all rights under the Patents and Know-how outside the Field.

2.5 *Quality*. The Licensee shall ensure that all of the Licensed Products marketed by it and its sublicensees shall comply in all material respects with all applicable laws and regulations in each part of the Territory in which they are marketed.

2.6 *Right of First Negotiation*. For a period of four (4) years after the Commencement Date, if UCLB or its Affiliates desires to enter into an agreement with any third party regarding the development or commercialization of the Technology in the Field, UCLB shall give to Licensee express written notice thereof, and the right to negotiate with UCLB to enter into an agreement regarding such development or commercialization. If, within ninety (90) days after receipt of such written notice from UCLB, Licensee gives written notice to UCLB of its exercise of such right of negotiation, then the Parties shall negotiate in good faith, for a period not to exceed ninety (90) days, and attempt to reach mutual agreement regarding terms and conditions of a mutually acceptable agreement regarding such development or commercialization. If Licensee fails to give UCLB timely written notice of its exercise of such right of negotiation, or if the Parties fail to reach mutual agreement regarding such development or commercialization prior to the expiration of such ninety (90) day period, thereafter UCLB and its Affiliates shall have the right to pursue such development or commercialization with any third party with no continuing obligation to Licensee regarding such development or commercialization.

3. Know-how and Confidential Information

3.1 *Provision of Know-how*. Upon the Licensee's reasonable request, UCLB shall instruct the Principal Investigator to supply the Licensee with all Know-how in his possession that UCLB is at liberty to disclose and has not previously been disclosed to the Licensee and which is reasonably necessary or desirable to enable the Licensee to undertake the further development of the inventions claimed in (or disclosed in the as-filed specification of) any patent or patent

application in the Patents. The method of such supply shall be agreed between the Principal investigator and the Licensee but shall not require the Principal Investigator to undertake more than 2 man-days of work, unless otherwise agreed in writing between the Parties. If it is agreed that the Principal Investigator shall travel to the Licensee's premises in connection with such supply, the Licensee shall reimburse all travel (at business class rates), accommodation and subsistence costs incurred.

3.2 *Confidentiality of Know-how*. The Licensee undertakes that for a period of 15 years from the Commencement Date, it shall protect the Know-how as Confidential Information and shall not use the Know-how for any purpose except as expressly licensed hereby and in accordance with the provisions of this Agreement.

3.3 *Confidentiality obligations*. Each Party ("Receiving Party") undertakes:

(a) to maintain as secret and confidential all Confidential Information obtained directly or indirectly from the other Party ("Disclosing Party") in the course of or in anticipation of this Agreement and to respect the Disclosing Party's rights therein;

(b) to use such Confidential Information only for the purposes of this Agreement; and

(c) to disclose such Confidential Information only to those of its employees, contractors, agents and sub-licensees pursuant to this Agreement (if any) to whom and to the extent that such disclosure is reasonably necessary for the purposes of this Agreement.

3.4 *Confidentiality Exceptions*. The confidentiality obligations shall not apply to information which the Receiving Party can demonstrate by reasonable, written evidence:

(a) was, prior to its receipt by the Receiving Party from the Disclosing Party, in the possession of the Receiving Party and at its free disposal; or

(b) is subsequently disclosed to the Receiving Party without any obligations of confidence by a third party who has not derived it directly or indirectly from the Disclosing Party; or

(c) is or becomes generally available to the public through no act or default of the Receiving Party or its agents, employees, Affiliates or sub-licensees; or

(d) is or was independently developed by the Receiving Party without use of the information disclosed by the other party (each of the foregoing in Clauses 3.4(a) through (d), a "Confidentiality Exception").

3.5 *Terms of this Agreement.* Except as otherwise provided in this Section 3, neither Party shall disclose any terms or conditions of this Agreement to any other person or entity without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed. Notwithstanding the foregoing, within forty-five (45) days of the Commencement Date, the Parties shall agree on the substance of a press release, which will be attached to this Agreement as Schedule 2. The substance of this release included in Schedule 2 can be used by the Parties to describe the terms of this transaction, and either Party may disclose such information, as modified by mutual agreement from time to time, without the other Party's consent.

3.6 *Permitted Disclosures*. Notwithstanding anything to the contrary in this Agreement, the provisions of this Section 3 shall not apply to the extent that:

(a) A Party is required (i) to disclose information by law, regulation or order of a governmental agency or a court of competent jurisdiction, or (ii) to disclose information to any governmental agency for purposes of obtaining approval to test or market a product, provided in either case provided that such Party shall (i) inform the other Party as soon as is reasonably practicable, and (ii) at the other Party's request seek to have the information treated in a confidential manner, where this is possible under the court, agency or authority's procedures; or

(b) Licensee may disclose information to any person or entity with whom Licensee has, or is proposing to enter into, a business relationship, as long as such person or entity has entered into written undertakings of confidentiality at least as restrictive as this Section 3.

3.7 *Disclosure to employees*. The Receiving Party shall procure that all of its employees, contractors and sub-licensees pursuant to this Agreement (if any) who have access to any of the Disclosing Party's Confidential Information, shall be made aware of and subject to these obligations and shall have entered into written undertakings of confidentiality at least as restrictive as this Section 3 and which apply to the Disclosing Party's Confidential Information.

3.8 *Return of information*. Upon any termination of this Agreement, the Receiving Party shall return to the Disclosing Party any documents or other materials that contain the Disclosing Party's Confidential Information including all copies made and, subject to Clause 8.3, make no further use or disclosure thereof; provided, however, that each Party shall have the right to retain one (1) copy for its legal files for the sole purpose of determining its obligations hereunder.

4. Payments

4.1 *Initial payments*:

(a) Within 90 (ninety) days of the Commencement Date, the Licensee shall pay to UCLB the non-refundable, non-deductible sum of $50,000 (fifty thousand US Dollars); and

(b) Within 9 (nine) months after the Commencement Date, the Licensee shall pay to UCLB the non-refundable, non-deductible sum of $50,000 (fifty thousand US Dollars).

4.2 *Milestone payments*. Within thirty (30) days after the first achievement (whether by the Licensee, its Affiliate or sub-licensee) of the each of the milestone events set out in the following table for a Licensed Product, the Licensee shall pay to UCLB the amount(s) set out next to such milestone event in the table:

Milestone event	*Amount to be paid (US dollars)*
Acceptance of IND or (equivalent) by the FDA for a 1st Indication as demonstrated by appropriate official confirmation.	$250,000 (two hundred and fifty thousand Dollars)
Completion of the first Phase I study for a 1st Indication.	$350,000 (three hundred and fifty thousand Dollars)
Completion of the first Phase II study for a 1st Indication.	$500,000 (five hundred thousand Dollars)

Milestone event	*Amount to be paid (US dollars)*
Completion of the first Phase III study for a 1st Indication.	$1,000,000 (one million Dollars)
Completion of the second / pivotal Phase 3 study for a 1st Indication.	$1,500,000 (one million five hundred thousand Dollars)
Acceptance of NDA (or equivalent) by FDA for a 1st Indication as demonstrated by appropriate official confirmation.	$2,000,000 (two million Dollars)
Approval of NDA (or equivalent) by FDA for a 1st Indication as demonstrated by appropriate official confirmation.	$4,000,000 (four million Dollars)
Acceptance of NDA equivalent by EMEA for a 1st Indication as demonstrated by appropriate official confirmation.	$1,000,000 (one million Dollars)
Approval of NDA equivalent by EMEA for a 1st Indication as demonstrated by appropriate official confirmation.	$2,000,000 (two million Dollars)
Acceptance of NDA equivalent by MHLW for a 1st Indication as demonstrated by appropriate official confirmation.	$500,000 (five hundred thousand Dollars)
Approval of NDA equivalent by MHLW for a 1st Indication as demonstrated by appropriate official confirmation.	$1,000,000 (one million Dollars)
Acceptance of NDA (or equivalent) by FDA for a 2nd Indication as demonstrated by appropriate official confirmation.	$1,000,000 (one million Dollars)
Approval of NDA (or equivalent) by FDA for a 2nd Indication as demonstrated by appropriate official confirmation.	$2,000,000 (two million Dollars)
Acceptance of NDA equivalent by EMEA for a 2nd Indication as demonstrated by appropriate official confirmation.	$500,000 (five hundred thousand Dollars)
Approval of NDA equivalent by EMEA for a 2nd Indication as demonstrated by appropriate official confirmation.	$1,000,000 (one million Dollars)
Acceptance of NDA equivalent by MHLW for a 2nd Indication as demonstrated by appropriate official confirmation.	$250,000 (two hundred and fifty thousand Dollars)

Milestone event	*Amount to be paid (US dollars)*
Approval of NDA equivalent by MHLW for a 2nd Indication	$500,000 (five hundred thousand Dollars)
Acceptance of NDA (or equivalent) by FDA for a 3rd Indication as demonstrated by appropriate official confirmation.	$500,000 (five hundred thousand Dollars)
Approval of NDA (or equivalent) by FDA for a 3rd Indication as demonstrated by appropriate official confirmation.	$1,000,000 (one million Dollars)
Acceptance of NDA equivalent by EMEA for a 3rd Indication as demonstrated by appropriate official confirmation.	$250, 000 (two hundred and fifty thousand Dollars)
Approval of NDA equivalent by EMEA for a 3rd Indication as demonstrated by appropriate official confirmation.	$500,000 (five hundred thousand Dollars)
Acceptance of NDA equivalent by MHLW for a 3rd Indication	$125,000 (one hundred and fifty thousand Dollars)
Approval of NDA equivalent by MHLW for a 3rd Indication as demonstrated by appropriate official confirmation.	$250,000 (two hundred and fifty thousand Dollars)

4.3 *Royalties on Net Sales*. During the applicable Royalty Term, the Licensee shall pay to UCLB a royalty being a percentage of the Net Sales Value of each Licensed Product sold by Licensee or its Affiliates. The percentage shall be applicable percentage(s) set forth below which applies to the Licensed Product in question:

(a) Three percent (3%) of Net Sales Value, for Net Sales Value of such Licensed Product in the current calendar year up to $250,000,000 (two hundred and fifty million Dollars);

(b) Four percent (4%) of Net Sales Value, for Net Sales Value of such Licensed Product in the current calendar year greater than $250,000,000 (two hundred and fifty million Dollars) and up to $500,000,000 (five hundred million Dollars); and

(c) Five percent (5%) of Net Sales Value, for Net Sales Value of such Licensed Product in the current calendar year greater than $500,000,000 (five hundred million Dollars).

Neither the Licensee nor its Affiliates shall sell any Licensed Product other than in an arm’s length transaction.

4.4 *Royalties on Net Receipts*. During the applicable Royalty Term, the Licensee shall pay to UCLB a royalty on Net Receipts in respect of each Licensed Product as follows:

(a) Subject to paragraph (d), a royalty of 30% of Net Receipts where the sub-licence agreement (or related agreement) under which the relevant Net Receipts become due is first executed prior to Completion of the first Phase I study of such Licensed Product; or

(b) Subject to paragraph (d), a royalty of 25% of Net Receipts where the sub-licence agreement (or related agreement) under which the relevant Net Receipts become due is first executed after Completion of the first Phase I study of such Licensed Product, but prior to Completion of the first Phase II study of such Licensed Product; or

(c) Subject to paragraph (d), a royalty of 20% of Net Receipts where the sub-licence agreement (or related agreement) under which the relevant Net Receipts become due is first executed after Completion of the first Phase II study of such Licensed Product; but

(d) Where any royalties to be paid under paragraphs (a) to (c) above are in respect of Net Receipts obtained from the sale of Licensed Product(s) by the sub-licensee, the amount of royalty that the Licensee shall pay UCLB in respect of each such sale shall in no event be less than 2% of the Net Sales Value of such Licensed Product(s) when sold by the sub-licensee.

4.5 *Third Party Royalties*. If Licensee, its Affiliates or sublicensees is required to pay royalties to any third party in order to develop, manufacture, have manufactured, import, use, offer for sale and sell Licensed Products, then Licensee shall have the right to credit [*******] of such third party royalty payments against the royalties owing to UCLB; provided, however, that Licensee shall not reduce the amount of the royalties paid to UCLB by reason of this Clause 4.5 with respect to sales of a Licensed Product to less than [*******] percent ([*******]%) of Net Sales Value of such Licensed Product.

4.6 *Combination Products*. If any Licensed Product is incorporated as a component in any other product ("Combination Product"), then for purposes of calculating Net Sales of such Licensed Product, such Net Sales, prior to the royalty calculation set forth in above, first shall be multiplied by the fraction A/(A+B), where A is the value of the Licensed Product component as reasonably determined by Licensee, and B is the value of the other component(s) as reasonably determined by the Parties for both A and B and such resulting amount shall be the "Net Sales" for purposes of the royalty calculation for such Licensed Product.

4.7 *Payment frequency*. Royalties due under this Agreement shall be paid within 60 days of the end of each quarter ending on 31 March, 30 June, 30 September and 31 December, in respect of sales of Licensed Products made and Net Receipts generated during such quarter and within 60 days of the termination of this Agreement.

4.8 *Payment terms*. All sums due under this Agreement:

(a) shall be paid in US Dollars in cash by transferring an amount in aggregate to the following account number [*******], and in the case of sales or sub-licence income received by the Licensee in a currency other than US Dollars, the royalty shall be calculated in the other currency and then converted into equivalent US Dollars using the average of the exchange rate (local currency per US$1) published in The Wall Street Journal, Western Edition, under the heading "Currency Trading" on the last business day of each month during the applicable quarterly period with respect to which the payment is made; and

(b) shall be made by the due date, failing which UCLB may charge interest on any outstanding amount on a daily basis at a rate equivalent to [*******], or the highest rate permitted by applicable law (whichever is lower).

4.9 *Withholding Taxes*. Licensee shall be entitled to deduct the amount of any withholding taxes, value-added taxes or other taxes, levies or charges with respect to such amounts, other than United States taxes, payable by Licensee, its Affiliates or sublicensees, or any taxes required to be withheld by Licensee, its Affiliates or sublicensees, to the extent Licensee, its Affiliates or sublicensees pay to the appropriate governmental authority on behalf of UCLB such taxes, levies or charges. Licensee shall use reasonable efforts, in consultation with UCLB, to minimize any such taxes, levies or charges required to be withheld on behalf of UCLB by Licensee, its Affiliates or sublicensees. Licensee promptly shall deliver to UCLB proof of payment of all such taxes, levies and other charges, together with copies of all communications from or with such governmental authority with respect thereto and any other documentation that UCLB may reasonably require in connection with applications for relief from such taxes, levies and charges. Licensee shall cooperate with UCLB in relation to any such applications that UCLB may make.

4.10 *Exchange controls.* If at any time during the continuation of this Agreement the Licensee is prohibited from making any of the payments required hereunder by a governmental authority in any country then the Licensee shall within the prescribed period for making the said payments in the appropriate manner use its best endeavours to secure from the proper authority in the relevant country permission to make the said payments and shall make them within [*******] of receiving such permission. If such permission is not received within [*******] of the Licensee making a request for such permission then, at the option of UCLB, the Licensee shall deposit the royalty payments due in the currency of the relevant country either in a bank account designated by UCLB within such country or such royalty payments shall be made to an associated company of UCLB designated by UCLB and having offices in the relevant country designated by UCLB.

4.11 *Royalty statements*. The Licensee shall send to UCLB at the same time as each royalty payment is made in accordance with Clause 4.3 or Clause 4.4 a statement setting out, in respect of each territory or region in which Licensed Products are sold, the types of Licensed Product sold, the quantity of each type sold, and the total Net Sales Value, and the total Net Receipts in respect of each type and sub-licensee, expressed both in local currency and pounds sterling and showing the conversion rates used, during the period to which the royalty payment relates.

4.12 *Records.*

(a) The Licensee shall keep at its normal place of business detailed and up to date records and accounts showing the quantity, description and value of Licensed Products sold by it, and the amount of sublicensing revenues received by it in respect of Licensed Products, on a country by country basis, and being sufficient to ascertain the payments due under this Agreement.

(b) Upon the written request of UCLB and not more than once in each calendar year, Licensee shall permit an independent chartered, certified or similarly qualified accountant as selected by UCLB to whom Licensee has no reasonable objection, at UCLB's expense, to have access during normal business hours to such of the financial records of Licensee as may be reasonably necessary to verify the accuracy of the payment reports hereunder for the [*******] calendar [*******] immediately prior to the date of such request (other than records for which UCLB has already conducted an audit under this Section.

If such accounting firm concludes that additional amounts were owed during the audited period, Licensee shall pay such additional amounts within [*******] after the date UCLB delivers to Licensee such accounting firm's written report so concluding. The fees charged by such accounting firm shall be paid by UCLB; provided, however, if the audit discloses that the royalties payable by Licensee for such period are more than [*******] percent ([*******]%) of the royalties actually paid for such period, then Licensee shall pay the reasonable fees and expenses charged by such accounting firm. UCLB shall cause its accounting firm to retain all financial information subject to review under this Clause in strict confidence; provided, however, that Licensee shall have the right to require that such accounting firm, prior to conducting such audit, enter into an appropriate non-disclosure agreement with Licensee regarding such financial information. The accounting firm shall disclose to UCLB only whether the reports are correct or not and the amount of any discrepancy. No other information shall be shared. UCLB shall treat all such financial information as Licensee's Confidential Information.

(c) The Licensee shall ensure that UCLB has the same rights as those set out in this Clause 4.12 in respect of any person that is sub-licensed under the Patents or Know-how pursuant to this Agreement.

5. Commercialisation

5.1 *General diligence*. The Licensee shall use Diligent and Reasonable Efforts to develop and commercially exploit Licensed Products worldwide.

Development Report. Without prejudice to the generality of the Licensee's obligations under Clause 5.1, the Licensee shall provide at least annually to UCLB an updated, written Development Report that shall report on all activities conducted under this Agreement since the Commencement Date or the date of the previous Development Report provided under this Clause. Licensee shall also set out in the Development Report the past, current and projected activities taken or planned to be taken by the Licensee and its sub-licensees (if any) to bring Licensed Products to market and maximise the sale of Licensed Products in the Territory, provided that Licensee shall not be legally bound to take or achieve any actions set out in any such projections. UCLB's receipt or approval of any Development Report shall not be taken to waive or qualify the Licensee's obligations under Clause 5.1.

5.2 *Consequences of expert's decision*. If an arbitrator under Clause 9.10 determines that the Licensee has failed to comply with its obligations under Clause 5.1, and if the Licensee fails to cure such failure within [*******] after such determination, UCLB shall be entitled, by giving, at any time within [*******] after the end of that [*******] period, not less than [*******] notice to terminate this Agreement.

6. Intellectual property

6.1 *Obtain and maintain the Patents.*

UCLB shall have the right to control, at Licensee's cost and expense, the preparation, filing, prosecution and maintenance of all patents and patent applications within the Patents. Within [*******] of the Commencement Date, UCLB and Licensee shall reasonably agree upon a budget for expenses incurred in connection with such preparation, filing, prosecution and maintenance of the Patents. UCLB and Licensee shall update said budget every [*******] thereafter and shall use reasonable efforts to ensure that the actual costs incurred in connection

with such activities related to the Patents are within [*******] percent ([*******]%) of such budget for any given one (1) year period, unless the prior written agreement of the Licensee is obtained. UCLB shall provide Licensee with ample opportunity to review and comment on the text of each correspondence for which submission to any patent office is intended (including, without limitation, patent applications and responses to official actions) and shall supply Licensee with a copy of each such correspondence as filed and, in the case of a patent application, its filing date and serial number. UCLB shall consider and incorporate in good faith all of Licensee's reasonable comments and suggestions with respect to any such correspondence for which submission to any patent authority is intended. The Licensee shall, at its own cost and expense, co-operate with UCLB and its licensee(s) outside the Field and endeavour to obtain valid patents in the name of UCLB pursuant to each of the patent applications of the Patents so as to secure the broadest monopoly reasonably available consistent with prudent patent practices. In the event that UCLB wishes to abandon any such application or not to maintain any such Patent (or to cease funding such application or Patent) it shall give [*******] prior written notice to Licensee so that Licensee may have the opportunity to assume control over such Patent at its own expense. In the event that either: (a) such Patent is ultimately abandoned by UCLB; or (b) Licensee assumes control over such Patent before the expiry of such notice period, then such Patent shall be deemed to be removed from the definition of Patents as provided for in this Agreement and Licensee shall have no continuing obligations to UCLB regarding Licensed Products based solely on such Patent

6.2 *Infringement of the Patents.*

(a) Each Party shall inform the other Party promptly if it becomes aware of any infringement or potential infringement of any of the Patents in the Field, and the Parties shall consult with each other to decide the best way to respond to such infringement.

(b) If the Parties fail to agree on a joint programme of action, including how the costs of any such action are to be borne and how any damages or other sums received from such action are to be distributed, then the Licensee shall be entitled to take action against the third party at its sole expense, subject to the following provisions of this Clause 6.2.

(c) Before starting any legal action under Clause 6.2(a), the Licensee shall consult with UCLB as to the advisability of the action or settlement, its effect on the good name of UCLB, the public interest, and how the action should be conducted.

(d) If the alleged infringement is both within and outside the Field, the Parties shall also cooperate with UCLB's other licensees (if any) in relation to any such action.

(e) The Licensee shall reimburse UCLB for any reasonable out-of-pocket expenses incurred in assisting the Licensee, at the request of the Licensee, in such action. The Licensee shall pay UCLB a portion of any damages received from such action, after deduction of both Parties reasonable expenses in relation to the action in accordance with the following:

(i) where the damages awarded are directly attributable to lost sales of Licensed Products, the amount of such damages will be treated as Net Sales Value and Licensee shall pay UCLB royalties on such damages in accordance with Clause 4.3; or

(ii) where the damages awarded are not directly attributable to lost sales of Licensed Products, the amount of such damages will be treated as Net Receipts and Licensee shall pay UCLB a portion of such damages in accordance with Clause 4.4.

(f) UCLB shall agree to be joined in any suit to enforce such rights subject to being indemnified and secured in a reasonable manner as to any costs, damages, expenses or other liability and shall have the right to be separately represented by its own counsel at its own expense.

(g) If, within [*******] after the Licensee receives written notice from UCLB of any actual, continuing and commercially significant infringement of the Patents, the Licensee is unsuccessful in persuading the alleged infringer to desist or fails to initiate an infringement action, UCLB shall have the right, at its sole discretion, to prosecute such infringement under its sole control and at its sole expense, and UCLB shall pay to Licensee a portion of any damages or other payments recovered from such action, after deduction of both Parties reasonable expenses in relation to the action, in accordance with the following:

(i) where the damages awarded are directly attributable to lost sales of Licensed Products, the amount of such damages will be treated as Net Sales Value, and UCLB shall pay the Licensee royalties on such damages in accordance with Clause 4.3; or

(ii) where the damages awarded are not directly attributable to lost sales of Licensed Product, the amount of such damages will treated as Net Receipts and UCLB shall pay the Licensee a portion of such damages in accordance with Clause 4.4 (in such instances, and for purposes of this Section 6.2(g)(ii) only, Licensee shall be deemed to be UCLB in determining the amounts owed to Licensee in accordance with Clause 4.4).

6.3 *Infringement of third party rights.*

(a) If any warning letter or other notice of infringement is received by a Party, or legal suit or other action is brought against a Party, alleging infringement of third party rights in the manufacture, use or sale of any Licensed Product or use of any Patents, that Party shall promptly provide full details to the other Party, and the Parties shall discuss the best way to respond.

(b) The Licensee shall have the right but not the obligation to defend such suit to the extent it relates to activities in the Field and shall have the right to settle with such third party, provided that if any action or proposed settlement involves the making of any statement, express or implied, adversely affecting the validity of any Patent, the consent of UCLB (which shall not be unreasonably withheld or delayed) must be obtained before taking such action or making such settlement.

7. Warranties and liability

7.1 *Warranties by UCLB*. UCLB warrants that:

(a) It is the registered proprietor of, or applicant for, the Patents and has caused all of its employees who are named as inventors on such Patents to execute such assignments of the Patents as may be necessary to pass all of their right, title and interest in and to the Patents to UCLB; and

(b) UCLB is the sole owner of the Patents, and except as UCLB has expressly informed Licensee in writing prior to the date of this Agreement, has not granted to any third party any license or other interest in the Patents; and UCLB has not received written notice of any third party interest in the Know-how. UCLB has not received written notice of any third party patent, patent application or other intellectual property rights that would be infringed (i) by practicing any process or method or by making, using or selling any composition which is claimed or disclosed in the Patents or which constitutes Know-how, or (ii) by making, using or selling Licensed Products; and does not have actual knowledge of any infringement or misappropriation by a third party of the Patents and Know-how.

7.2 *Acknowledgements*. The Licensee acknowledges that:

(a) The inventions claimed in the Patents, and the Know-how, are at an early stage of development. Accordingly, specific results cannot be guaranteed and any results, materials, information or other items (together "Delivered Items") provided under this Agreement, except as otherwise set forth in Clause 7.1, are provided 'as is" and without any express or implied warranties, representations or undertakings. As examples, but without limiting the foregoing, UCLB does not give any warranty that Delivered Items are of merchantable or satisfactory quality, are fit for any particular purpose, comply with any sample or description, or are viable, uncontaminated, safe or non-toxic.

(b) UCLB has not performed any searches or investigations into the existence of any third party rights that may affect any of the Patents or Know-how.

7.3 *No other warranties*.

(a) Each of the Licensee and UCLB acknowledges that, in entering into this Agreement, it does not do so in reliance on any representation, warranty or other provision except as expressly provided in this Agreement, and any conditions, warranties or other terms implied by statute or common law are excluded from this Agreement to the fullest extent permitted by law.

(b) Without limiting the scope of paragraph (a) above, UCLB does not make any representation nor give any warranty or undertaking:

(i) as to the efficacy or usefulness of the Patents or Know-how; or

(ii) as to the scope of any of the Patents or that any of the Patents is or will be valid or subsisting or (in the case of an application) will proceed to grant; or

(iii) except as set forth in Clause 7.1(b), that the use of any of the Patents or Know how, the manufacture, sale or use of the Licensed Products or the exercise of any of the rights granted under this Agreement will not infringe any other intellectual property or other rights of any other person; or

(iv) that the Know-how or any other information communicated by UCLB to the Licensee under or in connection with this Agreement will produce Licensed Products of satisfactory quality or fit for the purpose for which the Licensee intended or that any product will not have any latent or other defects, whether or not discoverable; or

(v) as imposing any obligation on UCLB to bring or prosecute actions or proceedings against third parties for infringement or to defend any action or proceedings for revocation of any of the Patents; or

(vi) as imposing any liability on UCLB in the event that any third party supplies Licensed Products to customers located in the Territory.

7.4 *Responsibility for development of Licensed Products*. The Licensee shall be exclusively responsible for the technical and commercial development and manufacture of Licensed Products and for incorporating any modifications or developments thereto that may be necessary or desirable and for all Licensed Products sold or supplied, notwithstanding any consultancy services or other contributions that UCLB may provide in connection with such activities.

7.5 *Indemnity*. The Licensee shall indemnify UCLB and its Affiliates, and their respective officers, directors, Council members, employees and representatives, including the Principal Investigator (together, the "Indemnitees") against all Losses incurred as a result of any Claims that may be asserted against or suffered by any of the Indemnitees to the extent arising from:

(a) the use by the Licensee or any of its sub-licensees of any of the Patents or Know-how; or

(b) the development, manufacture, use, marketing or sale of, or any other dealing in, any of the Licensed Products, by Licensee or any of its sub-licensees, or subsequently by any customer or any other person, including claims based on product liability laws.

except in each case to the extent arising from the gross negligence or willful misconduct of any of the Indemnitees or the material breach of this Agreement by UCLB of any representation, or warranty given in clause 7.1.

7.6 *Limitation of Liability.*

(a) To the extent that any Indemnitee has any liability in contract, tort, or otherwise under or in connection with this Agreement, including any liability for breach of warranty, their liability shall be limited in accordance with the following provisions of this Clause 7.6.

(b) In no circumstances shall any of the Indemnitees or Licensee be liable for any loss, damage, costs or expenses of any nature whatsoever incurred or suffered that is (i) of an indirect, special or consequential nature, (ii) any loss of profits, revenue, business opportunity or goodwill, or (iii) for punitive damages.

(c) Nothing in this Agreement excludes any person's liability to the extent that it may not be so excluded under applicable law, including any such liability for death or personal injury caused by that person's negligence, or liability for fraud.

7.7 *Warranties by Licensee.* Licensee warrants and undertakes that:

(a) it shall not enter into an agreement with any other person with respect to the marketing or sale of any Competing Product without the prior written consent of UCLB; and

(b) it shall not market or sell any Competing Product without the prior written consent of UCLB.

Nothing in this Agreement or this Section 7.7 shall be construed as limiting Licensee's ability to research or develop a Competing Product so long as such research or development: (i) does not occur within five (5) years following the Commencement Date; and (ii) does not utilize UCLB's Know-how.

8. Duration and Termination

8.1 *Commencement and Termination by Expiry*. This Agreement, and the licences granted hereunder, shall come into effect on the Commencement Date and, unless terminated earlier in accordance with this Clause 8, shall continue in force on a country by country basis until the expiration of Licensee's obligation to pay royalties hereunder. The license grant under Clause 2.1 shall be effective at all times prior to such expiration and following such expiration of this Agreement Licensee shall have a fully paid-up, non-exclusive license (a) under the Patents, with the right to sub-license through multiple tiers, to develop, manufacture, have manufactured, import, use, offer for sale and sell Licensed Products only in the Field in the Territory; and (b) to use the Know-how, with the right to sub-license through multiple tiers, to develop, manufacture, have manufactured, import, use, offer for sale and sell Licensed Products only in the Field in the Territory.

8.2 *Early termination.*

(a) The Licensee may terminate this Agreement at any time on 30 days' notice in writing to UCLB.

(b) Either Party may terminate this Agreement at any time by notice in writing to the other Party ("Other Party"), such notice to take effect as specified in the notice:

(i) if the Other Party is in material breach of this Agreement and, in the case of a breach capable of remedy within 90 days, the breach is not remedied within 90 days of the Other Party receiving notice specifying the breach and requiring its remedy; or

(ii) if: (A) the Other Party is declared by a court of competent jurisdiction to be insolvent or unable to pay its debts as and when they become due, (B) an order is made or a resolution is passed for the winding up of the Other Party (other than voluntarily for the purpose of solvent amalgamation or reconstruction), (C) a liquidator, administrator, administrative receiver, receiver or trustee is appointed in respect of the whole or any part of the Other Party's assets or business, (D) the Other Party makes any composition with its creditors, (E) the Other Party ceases to continue its business or (F) as a result of debt and/or maladministration the other Party takes or suffers any similar or analogous action.

(c) UCLB may terminate this Agreement by giving written notice to the Licensee, such termination to take effect forthwith or as otherwise stated in the notice, if the Licensee or its Affiliate or sub-licensee commences legal proceedings, or assists any third party to

commence legal proceedings, to challenge the validity or ownership of any of the Patents, or markets or sells a Competing Product, either on its own, or with another person, without the prior written consent of UCLB.

(d) A Party's right of termination under this Agreement, and the exercise of any such right, shall be without prejudice to any other right or remedy (including any right to claim damages) that such Party may have in the event of a breach of contract or other default by the other Party.

8.3 *Consequences of termination*

(a) Upon termination of this Agreement for any reason otherwise than in accordance with Clause 8.1:

(i) the Licensee and its sub-licensees shall be entitled to sell, use or otherwise dispose of (subject to payment of royalties under clause 4) any unsold or unused stocks of the Licensed Products for a period of 6 months following the date of termination;

(ii) subject to paragraph (i) above, the Licensee shall no longer be licensed to use or otherwise exploit in any way, either directly or indirectly, the Patents, in so far and for as long as any of the Patents remains in force, or the Know-how;

(iii) subject to paragraph (i) above, the Licensee shall consent to the cancellation of any formal licence granted to it, or of any registration of it in any register, in relation to any of the Patents;

(iv) each Party shall return to the other or, at the other Party's request, destroy any documents or other materials that are in its or its sub-licensees' possession or under its or its sub-licensees' control and that contain the other Party's Confidential Information in accordance with Clause 3.8; and

(v) subject as provided in this Clause 8.3, and except in respect of any accrued rights, neither Party shall be under any further obligation to the other.

(b) Upon termination of this Agreement for any reason otherwise than in accordance with Clause 8.1 and at UCLB' request, the Parties shall negotiate in good faith the terms of an agreement between them on reasonable commercial terms under which the Licensee would:

(i) transfer to UCLB exclusively all clinical and other data relating to the development of Licensed Products; and

(ii) to the extent possible, seek to have any product licences, pricing approvals and other permits and applications transferred into the name of UCLB or its nominee.

(iii) grant UCLB an exclusive, worldwide licence, within the Field, with the rights to grant sub-licences, under any improvements and other intellectual property owned or controlled by the Licensee at the time of such termination and relating to the Licensed Products; and

(iv) grant UCLB or its nominee the right to continue to use any product name that had been applied to the Licensed Products prior to termination of this Agreement.

(c) If the Parties are unable to agree terms in accordance with paragraph (b) above, either Party may refer the disagreement to arbitration in accordance with Clause 9.10. At the request of UCLB the Parties shall enter into an agreement on the terms specified by the arbitrator(s).

(d) Upon termination of this Agreement for any reason the provisions of Clauses 2.3(e), 3.2 to 3.8, 4 (in respect of sales made prior to termination or under Clause 8.3(a)(i)), 7.5, 7.6, 8.3 and 9 shall remain in force.

9. General

9.1 *Force majeure*. Neither Party shall have any liability or be deemed to be in breach of this Agreement for any delays or failures in performance of this Agreement that result from circumstances beyond the reasonable control of that Party, including without limitation labour disputes involving that Party. The Party affected by such circumstances shall promptly notify the other Party in writing when such circumstances cause a delay or failure in performance and when they cease to do so.

9.2 *Amendment*. This Agreement may only be amended in writing signed by duly authorised representatives of UCLB and the Licensee.

9.3 *Assignment and third party rights.*

(a) Subject to paragraph (b) below, neither Party shall assign, mortgage, charge or otherwise transfer any rights or obligations under this Agreement, nor any of the Patents or rights under the Patents, without the prior written consent of the other Party.

(b) Either Party may assign all its rights and obligations under this Agreement together with its rights in the Patents (i) to any Affiliate, or (ii) in connection with the transfer or sale of all or substantially all of its business to which this Agreement relates, or in the event of its merger, consolidation, change in control or similar transaction; PROVIDED that the assignee undertakes to the other Party to be bound by and perform the obligations of the assignor under this Agreement. However a Party shall not have such a right to assign this Agreement if it is insolvent or any other circumstance described in Clause 8.2(b)(ii) applies to it.

9.4 *Waiver*. No failure or delay on the part of either Party to exercise any right or remedy under this Agreement shall be construed or operate as a waiver thereof, nor shall any single or partial exercise of any right or remedy preclude the further exercise of such right or remedy.

9.5 *Invalid clauses*. If any provision or part of this Agreement is held to be invalid, amendments to this Agreement may be made by the addition or deletion of wording as appropriate to remove the invalid part or provision but other wise retain the provision and the other provisions of this Agreement to the maximum extent permissible under applicable law

9.6 *No Agency*. Neither Party shall act or describe itself as the agent of the other, nor shall it make or represent that it has authority to make any commitments on the other's behalf.

9.7 *Interpretation*. In this Agreement:

(a) the headings are used for convenience only and shall not affect its interpretation;

(b) references to persons shall include incorporated and unincorporated persons; references to the singular include the plural and vice versa; and references to the masculine include the feminine;

(c) references to Clauses and Schedules mean clauses of, and schedules to, this Agreement;

(d) references in this Agreement to termination shall include termination by expiry;

(e) where the word "including" is used it shall be understood as meaning "including without limitation".

9.8 *Notices.*

(a) Any notice to be given under this Agreement shall be in writing and shall be sent by first class mail or air mail, or by fax (confirmed by first class mail or air mail) to the address of the relevant Party set out at the head of this Agreement, or to the relevant fax number set out below, or such other address or fax number as that Party may from time to time notify to the other Party in accordance with this Clause 9.8. The fax numbers of the Parties are as follows: [*******]

(b) Notices sent as above shall be deemed to have been received three working days after the day of posting (in the case of inland first class mail), or seven working days after the date of posting (in the case of air mail), or on the next working day after transmission (in the case of fax messages, but only if a transmission report is generated by the sender's fax machine recording a message from the recipient's fax machine, confirming that the fax was sent to the number indicated above and confirming that all pages were successfully transmitted).

9.9 *Law and Jurisdiction*. The validity, construction and performance of this Agreement shall be governed by English law and shall be subject to the exclusive jurisdiction of the English courts to which the parties hereby submit, except that a Party may seek an interim injunction in any court of competent jurisdiction.

9.10 *Arbitration*.

(a) Any dispute, controversy or claim initiated by either Party arising out of, resulting from or relating to this Agreement, or the performance by either Party of its obligations under this Agreement (other than (a) disputes, controversies or claims regarding the validity, enforceability, claim construction or infringement of any patent rights, or defenses to any of the foregoing, and (b) bona fide third party actions or proceedings filed or instituted in an action or proceeding by a third party against a Party), whether before or after termination of this Agreement, shall be finally resolved by binding arbitration. Whenever a Party shall decide to institute arbitration proceedings, it shall give written notice to that effect to the other Party. Any such arbitration shall be conducted under the Rules of London Court of International Arbitration, in the English language, by a panel of three arbitrators appointed in accordance with such rules.

(b) Subject to paragraph (c) below, any such arbitration shall be held in London, England. The arbitrators shall have the authority to grant specific performance and to allocate between the Parties the costs of arbitration in such equitable manner as they determine. Judgment upon the award so rendered may be entered in any court having jurisdiction or application may be made to such court for judicial acceptance of any award and an order of enforcement, as the case may be. In no event shall a demand for arbitration be made after the date when institution of a legal or equitable proceeding based upon such claim, dispute or other matter in question would be barred by the applicable statute of limitations. Notwithstanding the foregoing, either Party shall have the right, without waiving any right or remedy available to such Party under this Agreement or otherwise, to seek and obtain from any court of competent jurisdiction any interim or provisional relief that is necessary or desirable to protect the rights or property of such Party, pending the selection of the arbitrators hereunder or pending the arbitrators' determination of any dispute, controversy or claim hereunder.

(c) Upon the consent of each of the Parties (said consent not to be unreasonably delayed), a dispute under Clause 5.2 or 8.3 (c) shall be referred to arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association (the "AAA") by a panel of one arbitrator (unless the Parties agree otherwise) appointed by the AAA and who is knowledgeable as to the subject matter of the dispute. The Parties agree that the MA Expedited Procedures shall apply to all arbitration proceedings under this Clause 9.10 (c). The arbitrator shall have the right to order discovery as he or she deems appropriate, and to order injunctive relief and the payment of legal fees, costs and other damages, excluding punitive damages. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. Any arbitration conducted under this Agreement shall be conducted in London, England.

9.11 *Further action*. Each Party agrees to execute, acknowledge and deliver such further instruments, and do all further similar acts, as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

9.12 *Announcements*. Except as otherwise set forth in this Agreement, neither Party shall make any press or other public announcement concerning any aspect of this Agreement, or make any use of the name of the other Party in connection with or in consequence of this Agreement, without the prior written consent of the other Party.

9.13 *Entire Agreement*. This Agreement, including its Schedules, sets out the entire agreement between the Parties relating to its subject matter and supersedes all prior oral or written agreements, arrangements or understandings between them relating to such subject matter. Subject to Clause 7.6(c), the Parties acknowledge that they are not relying on any representation, agreement, term or condition which is not set out in this Agreement.

9.14 *Third parties*. Except for the rights of the Indemnitees as provided in clause 7.5, who may in their own right enforce the provisions of that Clause, this Agreement does not create any right enforceable by any person who is not a party to it ('Third Party') under the Contracts (Rights of Third Parties) Act 1999, but this clause does not affect any right or remedy of a Third Party which exists or is available apart from that Act. The Parties may amend, renew, terminate or otherwise vary all or any of the provisions of this Agreement, including Clause 7.5, without the consent of the Indemnitees.

9.15 *Export Control Regulations.*

(a) "Export Control Regulations" mean any United Nations trade sanctions or EU or UK legislation or regulation, from time to time in force, which impose arms embargoes or control the export of goods, technology or software, including weapons of mass destruction and arms, military, paramilitary and security equipment and dual-use items (items designed for civil use but which can be used for military purposes) and certain drugs and chemicals.

(b) The Licensee shall ensure that, in using the Patents or Know-how and in selling Licensed Products, it shall not and nor shall its or its Affiliates employees or sub-contractors breach or compromise, directly or indirectly, compliance with any Export Control Regulations.

9.16 *Non-use of names and marking of Licensed Products*

(a) The Licensee shall not use, and shall ensure that its Affiliates and sub-licensees do not use, the name, any adaptation of the name, any logo, trademark or other device of University College London, UCLB, nor of the inventors of the Patents nor the Principal Investigator in any advertising, promotional or sales materials without prior written consent obtained from UCLB in each case, except that Licensee may state that it is licensed by UCLB under the Patents.

(b) To the extent commercially feasible the Licensee shall mark and cause its Affiliates and Sub-Licensees to mark each Licensed Product with the number of each issued Patent which applies to the Licensed Product.

9.17 *Insurance*. Without limiting its liabilities under clause 7, the Licensee shall take out with a reputable insurance company and maintain at all times during the term of this Agreement public and product liability insurance including against all loss of and damage to property (whether real, personal or intellectual) and injury to persons including death arising out of or in connection with this Agreement and the Licensee's and its Affiliates' and sub-licensees' use of the Patents or Know-how and use, sale of or any other dealing in any of the Licensed Products. Such insurances may be limited in respect of one claim provided that such limit must be at least $[*******]. Product liability insurance shall continue to be maintained for a further [*******] from the end of the term of this Agreement.

Agreed by the Parties through their authorised signatories:

For and on behalf of **UCL Business PLC**	For and on behalf of **Coronado Biosciences, Inc.**
/s/ Anne Lane signed	/s/ Raymond J. Tesi signed
Anne Lane, M.D. print name	Raymond J. Tesi, M.D. print name
Executive Director title	President and CEO title
2/11/07 date	11/11/07 date

Schedule 1

Part A: The Patents

Patent Application [*******] filing date [*******] and the refilled patent application [*******] filing date [*******] both entitled "[*******]" and any derivatives thereof. Said patent application entered national phase in at least the following regions: [*******].

Part B: The Know-how

Tumour-activated human NK cells — potential for "off-the-shelf" immunotherapy.
Mark W. Lowdell, Dept of Haematology, Royal Free & UCL Medical School, London, UK.

[*******]

[*******]

[*******]

[*******]

[*******]

[*******]

[*******]

[*******]

References:

Bryceson Y T, ME March, H-G Ljunggren, EO Long. 2006. Synergy among receptors on resting NK cells for the activation of natural cytotoxicity and cytokine release. Blood.107:159-166.

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Miller JS, Soignier Y, Panoskaltsis-Mortari et al. Successful adoptive transfer and in vivo expansion of human haploidentical NK cells in patients with cancer. Blood 2005;105(8):3051-7.

North J, BakhshI, Marden C et al. Tumour-primed human natural killer cells lyse NK-resistant tumour targets: evidence for a two-stage process in resting NK cell activation. - Journal of Immunology; 178:85-94.

Testi R, D D'Ambrosio, R De Maria, A Santoni. 1994. The CD69 receptor: a multipurpose cell surface trigger for hematopoietic cells. Immunol. Today. 15:479-83.

Schedule 2

The Press Release

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

Ovamed GmbH • Kiebitzhörn 33-35 • 22885 Barsbüttel • Germany

Xavier Frapaise
MD President and CEO
Asphelia Pharmaceutics, Inc.
4365 Executive Drive, Suite 1500
San Diego, California 92121
USA

November 8, 2007

Ref: Exclusive Sublicense Agreement and Manufacturing & Supply Agreement

Further to our recent communications, the purpose of this letter is to confirm our mutual understanding regarding the resolution of all matters relating to the above-mentioned agreements.

1. Ovamed GmbH ("Ovamed") and Collingwood Pharmaceuticals, Inc. ("Collingwood") entered into an Exclusive Sublicense Agreement having an effective date of December 12, 2005 (the "Sublicense Agreement"). On April 27, 2007, Collingwood assigned the Sublicense Agreement to its affiliate Asphelia Pharmaceuticals, Inc. ("***Asphelia***"). All references to "Collingwood" in the Sublicense Agreement shall be replaced with "Asphelia".

2. Asphelia and Ovamed agreed upon the final terms of a Manufacturing and Supply Agreement (the "M&S Agreement"), the latest version of which is dated March 29, 2006. Upon execution of this letter agreement, the parties shall modify the M&S Agreement to reflect that Ovamed possesses the exclusive right to manufacture and supply TSO (the "Product") for non-clinical, clinical and commercial use consistent with the terms of the M&S Agreement and the Sublicense Agreement, as revised. The parties shall further modify the M&S Agreement to reflect Ovamed's obligation to build and bring on-line another GMP production facility in the US prior to commencement of Phase 3 studies for the Product in the US. The launch of such US production facility shall be contingent upon Asphelia's provision to Ovamed of an annual forecast and purchase order(s) (in accordance with the M&S Agreement) reflecting Asphelia's intent to purchase a minimum of [*******] unit doses of Product (at the price stipulated in the M&S Agreement) to be used in connection with Phase 3 studies. The M&S Agreement shall further obligate Ovamed to share its know-how, patents and other related intellectual property with a third-party manufacturer in the event that Ovamed is unable to meet Asphelia's non-clinical, clinical or commercial supply requirements for the Product. Subject to inclusion in the M&S Agreement of the terms described in this Paragraph 2, the parties shall immediately execute the M&S Agreement. In the event of any discrepancy between the terms of the M&S Agreement and this letter, the terms of this letter shall govern in all material respects.

3. Set forth on Exhibit 1 attached hereto is a summary of costs incurred by Ovamed as of the date of this letter relating to the preparation, filing, prosecution and maintenance of the Patent Rights (as that term is defined in the Sublicense Agreement). Within ten (10) days following the execution date of this letter agreement, Asphelia shall pay to Ovamed the balance of [*******] Dollars and [*******] Cents ($[*******]) for such costs outstanding as of the date of this letter. Asphelia shall continue to reimburse Ovamed for costs relating to the preparation, prosecution and maintenance of the Patent Rights as provided for the Sublicense Agreement, and the parties shall collaborate in good faith regarding the preservation and expansion of patent and other intellectual property protection relating to the Products. Ovamed and Asphelia shall discuss the further payment of costs incurred by Ovamed relating to the Patent Rights in Europe outside of the Field (as that term is defined in the Sublicense Agreement) considering the effective use of these rights.

4. Regarding Section 4.3.1 of the Sublicense Agreement, Asphelia agrees to the following with respect to prepayment of the One Million Five Hundred Thousand Dollars ($1,500,000) milestone payment that otherwise is due upon IND filing:

   a. Five Hundred Thousand Dollars ($500,000) within forty-five (45) days of the execution date of this letter as a 1st prepayment;

   b. A 2nd prepayment of Five Hundred Thousand Dollars ($500,000) until the end of May 2008 shall be considered; and

   c. A 3rd prepayment of Five Hundred Thousand Dollars ($500,000) until the end of December 2008 shall be considered.

   The payment of One Million Five Hundred Thousand Dollars ($1,500,000) (as outlined in Section 4.3.2 of the Sublicense Agreement) shall remain due and owing on the [*******], currently expected to occur in the [*******].

5. Ovamed agrees to conduct an FDA-like audit immediately upon Asphelia's payment of the amount described in Paragraph 4(a). Such audit shall occur at Parasite Technologies and Ovamed shall furnish to Asphelia copies of the related audit report, along with any other information relevant to such audit.

6. Asphelia agrees to provide to Ovamed proposed timelines for the clinical development of the Product within thirty (30) days of the execution of this letter.

7. Ovamed and Asphelia agree to approach [*******] with the intent to establish a mutual cooperation for regulatory approval of the Product, as well as related research and development.

8. The parties hereby agree to establish a Steering Committee (the "***Committee***") to monitor the preclinical and clinical development and regulatory approval of the Product in the Field and Territory (as those terms are defined in the Sublicense Agreement). The Committee will consist of independent scientific and technical thought leaders that are highly regarded by the scientific community in the field of the Products and at least one representative from each of Ovamed and Asphelia. Subject to Paragraph 7, the parties shall further endeavor to include in such Committee a representative from [*******]. The Committee will meet at least twice per year (unless unanimously agreed to otherwise by the Committee).

9. Subject to each party's compliance with the terms described in this letter, the parties acknowledge and agree that the Sublicense Agreement is in full force and effect in accordance with its terms. Notwithstanding any prior communications between the parties, upon the execution of this letter and each party's compliance with its terms, there exist no breaches, defaults or events which would (with the giving of notice, the passage of time or both) give rise to a breach, default or other right to terminate or modify the Sublicense Agreement.

Agreed and acknowledged

Date: November 8, 2007	Date: November 8, 2007
/s/ Detlev Goj	/s/ Xavier Frapaise, MD
Detlev Goj, CEO Ovamed GmbH	Xavier Frapaise, MD, President & CEO Asphelia Pharmaceuticals, Inc.

Exhibit 10.14

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

AMENDMENT No. 1 to LICENSE AGREEMENT

Amendment No. 1 made and effective as of September 30, 2009 to the License Agreement dated November 5, 2007 entered into by and between Coronado Biosciences, Inc., a Delaware corporation having a place of business at 787 Seventh Avenue, 48th Floor, New York, New York 10019 ("Company") and UCL Business PLC whose registered office is The Network Building, 97 Tottenham Court Road, London W1T 4TP United Kingdom ("UCLB"):

WITNESSETH**:**

Whereas, Company and UCLB executed a License Agreement dated November 5, 2007 ("License Agreement") pursuant to which Company is developing TANKs;

WHEREAS, University College London ("UCL") has collected, generated or owns the Clinical Data;

WHEREAS, UCL has assigned to UCLB all of its right, title and interest in and to such Clinical Data;

WHEREAS, Company wishes to license the Clinical Data for a specified use only;

WHEREAS, UCLB is willing to provide a copy of the Clinical Data to the Company;

WHEREAS, the parties now desire to amend the License Agreement in certain respects on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth below, the parties amend the Agreement and otherwise agree as follows:

1. Unless otherwise set forth in this Amendment No. 1, each capitalized term and abbreviation has the meaning set forth in the License Agreement.

2. Amendments

A. In Article 1 of the License Agreement, the following terms and their related definitions are inserted immediately following the term "***Valid Claim***" and its definition:

Clinical Data: Means (a) the original data described in Schedule Three; (b) any and all materials, documents and information that UCLB may provide to the Company under or in connection with this Agreement; (c) any derivative, modified or improved dataset obtained from or as a result of the use of the whole or any part of the foregoing.

Clinical Data Field: Means the use of Clinical Data for purposes of securing Regulatory IND filing (in the United States of America, or equivalent filings in other countries) in the Territory and Field.

Employees: Employees, contractors or advisors of the Company who have contractual obligations to the Company that enables the Company to comply with its obligations under this Agreement with respect to such individuals.

Third Party: Any person other than the Parties, Company and the Employees.

B. At the conclusion of the License Agreement, immediately following the current Schedule 2, the attached document (entitled "Schedule Three") is inserted therein.

C. In Article 2 of the License Agreement, immediately following Section 2.6, new Section 2.7 is inserted therein as follows:
Section 2.7 UCLB hereby grants, and Company accepts, a non-exclusive license to UCLB's rights in the Clinical Data in the Clinical Data Field for use in the Field and Territory. Said license does not include the right to grant sublicense(s). Company shall keep the Clinical Data secure at the Company's principle place of business and shall ensure that: (a) It provides suitable administrative, technical and physical safeguards to ensure the confidentiality of the Clinical Data and to prevent unauthorized use and access of the Clinical Data; (b) It operates suitable systems for tracking the Clinical Data; and (c) No one other than the Employees shall have access to the Clinical Data. Notwithstanding anything to the contrary herein Company: (a) shall not merge or incorporate the Clinical Data with any other data set or information, nor change the format of the Clinical Data, without the prior written consent of UCLB, except as reasonably required by applicable regulatory agencies such as the FDA, EMEA and MHLW; (b) shall not sell, gift, transfer, assign, rent, lease or otherwise supply or disclose the Clinical Data to any Third Party; (c) shall not sell a product or tradable

commodity that comprises any portion of the Clinical Data supplied unless prior written permission is obtained in writing from UCLB; (d) shall provide UCLB with written notification of the number of copies of the Clinical Data to be made and the location where each copy will be stored; (e) shall perform its activities using the Clinical Data in accordance with all applicable laws, regulations and ethical approvals and shall ensure that it has all necessary ethical and legal permissions in place to perform its activities under this Agreement prior to commencing any activity requiring such permission. Except as expressly provided by this Agreement, no license to the copyright or any other intellectual property rights in the Clinical Data, services, documents, or any software tools, design concepts, know-how, techniques or methodologies supplied by UCLB is granted or implied by this Agreement. UCLB shall retain title to all Clinical Data.

D. In Article 4 of the License Agreement, immediately following Section 4.1(b), new Section 4.1(c) is inserted therein as follows:

Section 4.1(c) Within thirty (30) days following the effective date of this Amendment, Company shall pay to UCLB the following, non-creditable, non-refundable license issue fees in respect of Clinical Data: £1000. All payments to UCLB made pursuant to this Section 4.1(c) shall be in pounds sterling and all such payments shall be exclusive of VAT which, where applicable, shall be payable in addition to the sum stated and at the prevailing rate. Upon receipt of payment of the fees stated in Clause 3.1, UCLB shall send the Clinical Data to Company in such form and by such methods as the parties may agree. All payments shall be made by the due date, failing which UCLB may charge interest on any outstanding amount on a daily basis at a rate of [*******]%.

3. Representations and Warranties.

(a) Each party hereby represents and warrants to the other party as follows:

(i) This Amendment has been duly executed and delivered on behalf of such party, and constitutes a legal, valid, binding obligation, enforceable against such party in accordance with its terms.

(ii) All necessary consents, approvals and authorizations of all governmental authorities and other entities required to be obtained by such party in connection with this Amendment have been obtained.

(b) UCLB hereby represents and warrants to Company as follows:

(i) The License Agreement is in full force and effect in accordance with its terms. After giving effect to this Amendment, there exist no breaches, defaults or events which would (with the giving of notice, the passage of time or both) give rise to a breach, default or other right to terminate or modify the License Agreement.

4. Except as expressly modified by this Amendment No.1, all of the terms and conditions of the License Agreement shall continue in effect.

IN WITNESS WHEREOF, Company and UCLB, intending to he bound, have executed this Amendment No. 1 by their duly authorized representatives, and this Amendment No. 1 shall be part of the License Agreement between the parties as of the date first written above. This Amendment may be executed in counterparts, each of which shall be deemed to be an original and together shall be deemed to be one and the same agreement.

For and on behalf of UCLB

Signed: /s/ Anne Lane

Print name: Anne Lane, M.D.

Title: Executive Director

Date: 6/10/09

For and on behalf of the Coronado Biosciences, Inc.

Signed: /s/ Raymond J. Tesi

Print name: Raymond J. Tesi, M.D.

Title: President and CEO

Date: 10/6/09

Exhibit 10.15

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

SERVICE PROVIDER:	• PROGENITOR CELL THERAPY, LLC
SERVICE PROVIDER CONTACT:	• Robert A. Preti, Ph. D.
CORONADO CONTACT:	• Elizabeth Moore, SVP Regulatory Affairs
EFFECTIVE DATE:	• As of April 1, 2010

MASTER CONTRACT SERVICES AGREEMENT

THIS MASTER CONTRACT SERVICES AGREEMENT (the "Master Contract Services Agreement") is made as of the Effective Date set forth above by and between Coronado Biosciences, Inc , a Delaware company with an office at 1700 Seventh Avenue, Seattle, WA 98101 ("CORONADO") and Progenitor Cell Therapy, LLC, a Delaware limited liability company, with a principal office at 4 Pearl Court, Suite C, Allendale, NJ 07401 (the "Service Provider") (the Master Contract Services Agreement, together with any Statement(s) of Work (as defined below), all Appendixes attached hereto, is collectively referred to as the "Agreement"). Terms not otherwise defined will have the meaning set forth for such term in Appendix B attached hereto, made a part hereof and incorporated herein by reference.

1. **Agreement Structure.** From time to time, CORONADO may want the Service Provider to provide certain consulting, preclinical, laboratory and/or clinical research-related services, product/process development services, manufacturing services and other services as mutually agreed by the parties, in writing (collectively, the "Services"). This Agreement contains general terms and conditions under which CORONADO would engage the Service Provider and under which the Service Provider would provide Services. CORONADO and the Service Provider must complete and execute a work order, project order or statement of work ("Statement of Work") before any Services are provided. Each Statement of Work will include, at a minimum, the information relating to the specific Services outlined in the sample Statement of Work attached as **Appendix A**. However, neither CORONADO nor the Service Provider is obligated to execute any Statement of Work. Once executed, a Statement of Work becomes part of this Agreement, although the terms in a Statement of Work will govern only Services described in that Statement of Work.

2. **About the Services.**

2.1 Provision of Services. The Service Provider agrees to provide all Services identified in any Statement of Work: (a) in the manner and time provided in such Statement of Work and (b) in accordance with the current state of the FDA's current GMPs when applicable to do so. Subject to the next succeeding sentences; Service Provider will also comply, in all material respects, with Applicable Laws concerning current GMPs in effect as of the Effective Date appropriate to the Services. Should such Applicable Laws be changed, Service Provider will make all commercially reasonable efforts to satisfy the new requirements. However, in the event that compliance with such new Applicable Laws necessitates a change in the Services, Service Provider will submit a proposed Statement of Work to CORONADO reflecting revised technical and cost proposals for CORONADO's acceptance prior to making any changes in the Services. In the event of a conflict in Applicable Laws, CORONADO will designate, in writing, which regulations shall be followed by Service Provider in its performance of the Services. For each Statement of Work, Service Provider will designate a "Project Leader" who will be available for frequent communications with CORONADO regarding the Services provided under that Statement of Work. CORONADO will designate a "Representative" who will be the point of contact for the Project Leader. In the event either party fails to designate a Project Leader or Representative in the applicable Statement of Work, the Service Provider Contact shall be the Project Leader and the CORONADO Contact shall be the Representative.

2.2 Intentionally Omitted.

2.3 Audits. Upon [*******] written notice by CORONADO to Service Provider, Service Provider will allow CORONADO employees and representatives, and representatives of regulatory agencies, during normal business hours, to conduct a GMP compliance audit at Service Provider's facilities used to render the Services under the applicable Statement of Work [*******] during each [*******] period (with the initial [*******] period commencing with the Effective Date), which audit will be at [*******] cost and expense. In addition, at [*******] cost and expense, as reasonably requested by either party, the Project Leader and Representative and their designees shall participate in meetings at Service Provider's facilities as reasonably determined by Service Provider or elsewhere as the parties mutually agree to review performance of the Services and to coordinate such Services as necessary.

2.4 Data Verification and Reports. As provided in the applicable Statement of Work, a copy of all raw data, databases and analytical reports of the data will be provided to CORONADO in Service Provider's standard format. Service Provider will verify the accuracy of the data contained in all databases and/or reports provided by it against the raw data and will attach a signed statement attesting to such verification to each database and/or report provided to CORONADO.

2.5 Standard Operating Procedures. As required by any Statement of Work, Service Provider will supply copies to CORONADO of all standard operating procedures of Service Provider relevant to the Services under a Statement of Work, all at CORONADO's sole cost and expense.

2.6 Regulatory Contacts. CORONADO will be solely responsible for all contacts and communications with any regulatory authorities with respect to matters relating to any of the Services. Unless required by applicable law, Service Provider will have no contact or communication with any regulatory authority regarding any Services without the prior written consent of CORONADO, which consent will not be unreasonably withheld. Each party will notify the other promptly after such party receives any contact or communication from any regulatory authority relating in to the Services and will provide the notified party with copies of any such communication. Each party will consult with the other party regarding the response to any inquiry or observation from any regulatory authority relating to the Services.

3. **Representations by Service Provider.** The Service Provider makes the following representations, warranties and covenants:

3.1 Organization of Service Provider. Service Provider is and will remain a limited liability company duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

3.2 Enforceability of this Agreement. The execution and delivery of this Agreement has been authorized by all requisite company action. This Agreement is and will remain a valid and binding obligation of Service Provider, enforceable in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors.

3.3 Absence of Other Contractual Restrictions. Service Provider is under no contractual or other obligation or restriction that is inconsistent with Service Provider's execution or performance of this Agreement.

3.4 Qualifications of Service Provider Personnel. Service Provider has, and will engage, employees, subcontractors and/or consultants ("Service Provider Personnel") with the proper skill, training and experience to provide the Services. Service Provider will be solely responsible for paying Service Provider Personnel and providing any employee or other benefits that they are owed.

3.5 Legal Compliance. Service Provider will comply, in all material respects, with all federal and state laws, regulations and orders applicable to its operations. If specified in a Statement of Work, Services will be rendered in accordance with applicable Good Laboratory Practices (GLP) and/or Good Clinical Practices (GCP).

3.6 Conflicts with Rights of Third Parties. Without conducting any due diligence, to Service Provider's knowledge, the conduct and provision of the Services will not violate any patent, trade secret or other proprietary or intellectual property right of any third party.

3.7 Absence of Debarment. Neither Service Provider nor any Service Provider Personnel performing Services under this Agreement (i) has been debarred, and (ii) to the best of Service Provider's knowledge, is under consideration to be debarred, by the FDA from working in or providing services to any pharmaceutical or biotechnology company under the Generic Drug Enforcement Act of 1992.

4. **Compensation.** See Appendix C. Appendix C is attached hereto, made a part hereof and incorporated herein by reference.

5. **Proprietary Rights.**

5.1 Materials. All Confidential Information (as defined in Section 6.1 as set forth in Appendix C) and biological, chemical or other materials controlled by CORONADO and furnished to Service Provider (collectively, the "Materials") and all associated intellectual property rights will remain the exclusive property of CORONADO. Service Provider will use the Materials as reasonably necessary, as determined by Service Provider, to perform the Services. Service Provider agrees that it shall not use or evaluate such Materials or any portions thereof for any purpose other than in accordance with this Agreement and any Statement of Work or as advised or directed by CORONADO.

5.2 Intellectual Property. Any product resulting from the Services performed or product improvement, inventions or discoveries, including new uses for product resulting from the Services performed and related patent rights which arise as a result of the Services performed by Service Provider (the "Intellectual Property") will be owned solely and exclusively by and assigned to CORONADO. Service Provider will, at CORONADO's cost and expense, make reasonable commercial business efforts to cooperate with and assist CORONADO or its nominees in all reasonable ways and at all reasonable times, including, but not limited to, testifying in all legal proceedings, signing all lawful papers and in general performing all lawful acts reasonably necessary or proper, to aid CORONA DO in obtaining, maintaining, defending and enforcing all lawful patent, copyright, trade secret, know-how and the like in the United States and elsewhere for Intellectual Property. Notwithstanding the preceding, any process or process improvement, inventions or discoveries, including related patent rights, made by Service Provider which Service Provider utilizes in connection with services provided to its clients, in general, including in connection with the Services provided to CORONADO ("Service Provider Intellectual Property") will be owned solely and exclusively by Service Provider and not be assigned to CORONADO. However, Service Provider hereby grants to

CORONADO a fully paid-up, irrevocable, worldwide license to use any Service Provider Intellectual Property for purposes of developing and commercializing products relating to the Services being provided hereunder. Any such process or process improvement, inventions or discoveries and related patent rights which are made jointly by the parties shall be owned jointly by the parties. Service Provider shall maintain such information and communications in confidence as Confidential Information. Nothing contained herein shall be construed to grant to Service Provider any rights to technology or any license to product resulting from the Services performed by Service Provider under the Agreement and each Statement of Work under any patent, copyright or trademark now or hereinafter in existence except for the limited purposes set forth herein. CORONADO will be free to use all Intellectual Property for any and all purposes. Service Provider will retain ownership of any pre-existing products, materials, tools, methodologies, technologies and Service Provider Intellectual Property (collectively, "Service Provider Technology"). Service Provider agrees not to incorporate any Service Provider Technology into Intellectual Property that would prevent CORONADO from using its Intellectual Property for any and all purposes.

5.3 Intentionally Omitted.

5.4 Records; Records Storage. Service Provider will maintain all written materials and all other data and documentation obtained or generated by Service Provider in the course of preparing for and providing Services hereunder, including all computerized records and files (the "Records").

5.5 Record Retention. Upon written instruction of CORONADO and at CORONADO's cost and expense (which will include reimbursing Service Provider for Service Provider's time using an hourly fee for its employees or representatives equal to the then internal fully burdened costs to Service Provider for such employee or representative) all Records will, at CORONADO's option either be (a) delivered to CORONADO or to its designee in such form as is then currently in the possession of Service Provider, (b) retained by Service Provider for a period of [*******], or as otherwise required under Applicable Law or regulation, or (c) disposed of, at the direction and written request of CORONADO, unless such Records are otherwise required to be stored or maintained by Service Provider as a matter of Applicable Law. In no event will Service Provider dispose of any such Records without first giving CORONADO [*******] prior written notice of its intent to do so. Service Provider may, however, retain copies of any Records as Service Provider reasonably determines is necessary for regulatory or insurance purposes, subject to Service Provider's obligation of confidentiality.

6. **Confidential Information.** See Appendix C.

7. **Indemnification and Insurance.** See Appendix C.

8. **Expiration and Termination.**

8.1 Expiration. This Agreement will expire on the completion of all Services provided in the Statement(s) of Work executed by the parties. The Agreement may be extended by mutual agreement of the parties pursuant to a Statement of Work or earlier terminated in accordance with Section 8.2 or 8.3 below.

8.2 Termination by CORONADO.

(a) If Service Provider is in default of its material obligations under the Master Contract Services Agreement or any Statement of Work (the Master Contract Services Agreement as it incorporates any one Statement of Work, is referred to herein as the "Applicable Services Agreement"), CORONADO shall promptly notify Service Provider, in writing, either by certified mail, return receipt requested or by a national overnight courier service ("Written Notice") of such material default under the Applicable Services Agreement. Service Provider shall have a period of [*******] from the date of its receipt of the Written Notice relating to a particular Applicable Services Agreement within which to cure such default. If Service Provider shall fail to cure the default of such Applicable Services Agreement within the specified cure period, then the Applicable Services Agreement shall, at CORONADO's option, terminate upon delivery to Service Provider of a Written Notice of termination. Upon Service Provider's receipt of the termination notice of the Applicable Services Agreement, Service Provider shall comply with such notice to terminate all Services under the Applicable Services Agreement and use commercially reasonable efforts to reduce costs to the CORONADO.

(b) CORONADO, at its option, may terminate any one or more Applicable Services Agreement without cause upon providing no less than [*******] Written Notice to Service Provider of Service Provider's intent to terminate one or more Applicable Services Agreement(s) with the termination date of the Applicable Services Agreement to occur on the last day of the month following the expiration of the [*******] notice period set forth in the Written Notice terminating such Applicable Services Agreement.

8.3 Termination by Service Provider. If CORONADO is in default of any of its material obligations under any Applicable Services Agreement, Service Provider shall promptly notify CORONADO, in writing, by Written Notice of such default under the Applicable Services Agreement. CORONADO shall have a period of [*******] from the date of receipt of such Written Notice of the default under the Applicable Services Agreement within which to cure such default. If CORONADO shall fail to cure the default of such Applicable Services Agreement within the specified cure period, then, at Service Provider's option, Service Provider may terminate the Agreement or any or all of the Applicable Service Agreements upon delivery to CORONADO of a Written Notice of termination of the Agreement or, if applicable, the Applicable Services Agreement Service Provider is terminating.

8.4 Effect of Termination or Expiration.

(a) In the event of termination of the Agreement or, if applicable, any Applicable Services Agreement, CORONADO shall pay for the Services performed and any costs and expenses incurred by Service Provider prior to the date of termination of the Agreement or, if applicable, the Applicable Services Agreement.

(b) CORONADO shall pay for any costs, expenses and pass through costs and expenses which Service Provider is irrevocably obligated to pay after the termination of the Agreement or, if applicable, the Applicable Services Agreement, (provided such irrevocable obligations were incurred prior to its receipt of Written Notice of termination of the Agreement or, if applicable, the Applicable Services Agreement).

(c) It is understood that the parties intend to discuss, pursuant to the provisions of this Section, any alleged default and its remediation as soon as it is known, and that such discussion shall not be a waiver of the right to terminate pursuant to this Agreement. For purposes of this Section 8: (i) a "default of its material obligations" shall be defined as a breach by a party

that directly caused a significant delay or obstacle that prevented the non-breaching party from achieving a material goal or objective as contemplated under the Agreement or, if applicable, the Applicable Services Agreement, and shall also include a failure by CORONADO to pay Service Provider any amounts set forth in Section 4 and the related Statements of Work when due and (ii) no default that is caused or contributed to by the non-breaching party or Force Majeure shall constitute a "default of its material obligations".

(d) The Agreement may be automatically and immediately terminated by either party, upon providing Written Notice to the other party of the termination of the Agreement, if the other party has a liquidator, receiver, manager, receiver or administrator appointed, or ceases to continue trading or is unable to pay debts.

(e) The termination of the Agreement or, if applicable, any Applicable Services Agreement, for any reason shall not relieve either party of its obligation to the other that expressly survive the termination of the Agreement or, if applicable, the Applicable Services Agreement.

(f) Notwithstanding anything herein to the contrary, UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE ENTITLED TO INCIDENTAL, INDIRECT, CONSEQUENTIAL OR SPECIAL DAMAGES ARISING IN CONNECTION WITH THE DEFAULT OR BREACH OF ANY OBLIGATION OF THE OTHER PARTY UNDER THE AGREEMENT OR ANY APPLICABLE SERVICES AGREEMENT, THE SCOPE OR ANY DOCUMENTS OR APPENDIXES RELATED THERETO.

9. **Miscellaneous.**

9.1 Independent Contractor. All Services will be rendered by Service Provider as an independent contractor and this Agreement does not create an employer-employee relationship between CORONADO and Service Provider. Service Provider shall not in any way represent itself to be a partner or joint venturer of or with CORONADO.

9.2 Publicity. Neither party may use the other party's name in any form of advertising, promotion or publicity, including press releases, without the prior written consent of the other party. This term does not restrict a party's ability to use the other party's name in filings with the Securities and Exchange Commission, FDA, any patent office, or other governmental or regulatory agencies, when required to do so.

9.3 Notices. Except where Written Notice is expressly required in the Agreement and Appendix C, all notices required or permitted under this Agreement must be written and sent to the address or facsimile number identified in this Agreement or a subsequent notice. All notices must be given (a) by personal delivery, with receipt acknowledged, (b) by facsimile followed by hard copy delivered by the methods under (c) or (d), (c) by prepaid certified or registered mail, return receipt requested, or (d) by prepaid recognized next business day delivery service. Notices will be effective upon receipt or as stated in the notice. Notices to CORONADO must be marked "Attention: Elizabeth Moore, SVP, Regulatory Affairs". Notices to Service Provider must be marked "Attention: George S Goldberger, Chief Business Officer".

9.4 Assignment. Neither this Agreement nor any Applicable Services Agreement may be assigned in whole or in part by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed, except CORONADO may assign this Agreement without Service Provider's consent in the event of a merger, acquisition, or transfer of all of its assets related to this Agreement to a third party that is not an Affiliate of

CORONADO, provided further that such assignee, in the reasonable opinion of Service Provider has financial resources and financial strength comparable to CORONADO's as of the Effective Date. Any attempt to assign this Agreement or any Applicable Services Agreement without such consent, where required, shall be void and of no effect subject to the limitations on assignment herein. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto. No assignment will relieve either party of the performance of any accrued obligation that such party may then have under this Agreement.

9.5 Entire Agreement. This Agreement constitutes the entire agreement of the parties with regard to its subject matter, and supersedes all previous written or oral representations, agreements and understandings between CORONADO and Service Provider. In the event of any conflict, discrepancy, or inconsistency between this Agreement and any Statement of Work, the terms of the Statement of Work will control. The execution of a Statement of Work by one party which is not executed by the other party shall not be deemed an agreement or evidence against the party executing the Statement of Work as to the intent of the parties at the time of the first party's execution of the Statement of Work.

9.6 No Modification. This Agreement and/or any Statement of Work may be changed only by a Statement of Work signed by authorized representatives of both parties.

9.7 Severability; Reformation. Each and every provision set forth in this Agreement is independent and severable from the others, and no restriction will be rendered unenforceable by virtue of the fact that, for any reason, any other or others of them may be invalid or unenforceable in whole or in part. If any provision of this Agreement or any Statement of Work is invalid or unenforceable for any reason whatsoever, that provision will be appropriately limited and reformed to the maximum extent provided by applicable law. If the scope of any restriction contained herein is too broad to permit enforcement to its full extent, then such restriction will be enforced to the maximum extent permitted by law so as to be judged reasonable and enforceable.

9.8 Governing Law; Jurisdiction; Service of Process. The Agreement, the Quality Agreement and all Statement(s) of Work shall be governed by the laws of the State of New York, without reference to choice or conflict of law principles, otherwise applicable. The parties consent and agree that any legal action or proceeding against either party or any of their property with respect to any matter arising under or relating to this Agreement, the Quality Agreement and all Statements of Work may be brought in any court of the City and State of New York or any Federal Court of the United States of America located in the City and State of New York as Service Provider may elect. By execution and delivery of the Agreement, both CORONADO and Service Provider each hereby submits to and accepts with regard to any such action or proceeding, for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. By execution and delivery of the Agreement, both CORONADO and Service Provider further irrevocably consents to the service of process in any such action or proceeding by the mailing of copies thereof by registered or certified mail, postage prepaid, in the case of the Service Provider, to the attention of the Service Provider Contact at its address set forth at the beginning of the Agreement and, in the case of CORONADO, to the attention of the CORONADO Contact at its address set forth at the beginning of the Agreement. CORONADO and Service Provider each hereby irrevocably waives any objection which it may now or hereafter have to the laying of the venue of any suit, action or proceeding arising out of or relating to this Agreement, the Quality Agreement and each Statement of Work, and each hereby further irrevocably waives any claim that the State of New York is not a convenient forum for any such suit, action or proceeding.

9.9 Waiver. No waiver of any term, provision or condition of this Agreement (whether by conduct or otherwise) in any one or more instances will be deemed to be or construed as a further or continuing waiver of any such term, provision or condition of this Agreement.

9.10 Counterparts. This Agreement and each Statement of Work may be executed in any number of counterparts, each of which will be deemed to be an original and all of which together will constitute one and the same instrument.

9.11 Headings. This Agreement contains headings only for convenience and the headings do not constitute or form a part of this Agreement, and should not be used in the construction of this Agreement.

9.12 WAIVER OF JURY TRIAL. SERVICE PROVIDER AND CORONADO WAIVE ANY RIGHTS THEY MAY HAVE TO A TRIAL BY JURY OF ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT, THE QUALITY AGREEMENT AND EACH STATEMENT OF WORK. SERVICE PROVIDER AND CORONADO AGREE THAT ANY SUCH DISPUTE SHALL BE TRIED BEFORE A JUDGE SITTING WITHOUT A JURY.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

CORONADO BIOSCIENCES, INC

By /s/ Raymond J. Tesi

Name Raymond J. Tesi, M.D.

Title: President and CEO

PROGENITOR CELL THERAPY, LLC

By /s/ Robert A. Preti

Name Robert A. Preti, Ph.D.

Title President and CSO

APPENDIX A

STATEMENT OF WORK NO.: _____-PAO-_____

Project Title and Number: (CORONADO BIOSCIENCES) _____

THIS STATEMENT OF WORK (the "Statement of Work") dated _____, 20__ (the "Statement of Work Effective Date") is by and between Coronado BioSciences, INC ("CORONADO") and Progenitor Cell Therapy, LLC (the "Service Provider"). Upon execution of this Statement of Work, the Statement of Work will incorporate by reference the Master Contract Services Agreement (the "Master Contract Services Agreement") between CORONADO and Service Provider having an Effective Date of March __, 2010 (this Statement of Work as it incorporates by reference the Master Contract Services Agreement, the "Agreement"). Capitalized terms in this Statement of Work and not otherwise defined herein will have the same meaning as set forth in the Master Contract Services Agreement.

CORONADO hereby engages Service Provider to provide Services, as follows:

1. **Services.** Service Provider will render to CORONADO the following Services:

   Describe specific Service to be provided including all Deliverables.

2. **Materials.** CORONADO will provide to Service Provider the following Materials for the Services:

   Describe specific materials being provided by CORONADO.

3. **Completion.** The Services will be completed as provided in this Statement of Work.

4. **Service Provider Project Leader.** *Name and Title*

5. **CORONADO Contact.** *Name and Title*

6. **Compensation.** The Price due Service Provider for Services under for the Services described in this Statement of Work is set forth below.

7. **Other:**

Except as modified by this Statement of Work, all other terms and conditions of the Agreement will apply to this Statement of Work.

This Statement of Work shall become effective when each of the parties have duly executed the same copy or counterpart copies of this Statement of Work and be deemed effective as of the Statement of Work Effective Date set forth above. Except as specifically amended and modified by this Statement of Work, the Agreement is and shall continue to be in full force and effect and is hereby in all respects ratified and confirmed.

CORONADO BIOSCIENCES, INC	**PROGENITOR CELL THERAPY, LLC**
By _____	By _____
Name _____	Name _____
Title: _____	Title: _____

APPENDIX B

DEFINITIONS

The following terms shall have the following meanings:

Affiliate	With respect to any person or entity, another person or entity that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the person or entity specified.
Agreement	Has the meaning set forth in the opening paragraph of the Master Contract Services Agreement.
Applicable Laws	All laws, ordinances, rules, orders and regulations of any state, federal or local governmental or regulatory authority of the United States that governs the Services.
Applicable Services Agreement	Has the meaning set forth in Section 8.2(a) of the Master Contract Services Agreement.
Control	The possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a person or entity, whether through the ability to exercise voting power, by contract or otherwise. “Controlled” has the meaning correlative thereto.
Coronado	Has the meaning set forth in the opening paragraph of the Master Contract Services Agreement.
FDA	The United States Food and Drug Administration, or any successor agency thereto.
Force Majeure	Any cause beyond the reasonable control of the party in question which for the avoidance of doubt and without prejudice to the generality of the foregoing includes governmental actions, war, riots, terrorism, civil commotion, fire, flood, epidemic, labor disputes (excluding labor disputes involving the work force or any part thereof of the party in question), restraints or delays affecting shipping or carriers, and act of God.
GMP	Current Good Manufacturing Practice regulations, as set forth in the United States Code of Federal Regulations Title 21 (21 C.F.R. §§ 210 and 211), in effect as of the Effective Date.
Intellectual Property	Has the meaning set forth in Section 5.2 of the Master Contract Services Agreement.
Materials	Has the meaning set forth in Section 5.1 of the Master Contract Services Agreement.
Records	Has the meaning set forth in Section 5.4 of the Master Contract Services Agreement.

Service Provider	Has the meaning set forth in the opening paragraph of the Master Contract Services Agreement.
Service Provider Intellectual Property	Has the meaning set forth in Section 5.2 of the Master Contract Services Agreement.
Service Provider Personnel	Has the meaning set forth in Section 3.4 of the Master Contract Services Agreement.
Service Provider Technology	Has the meaning set forth in Section 5.2 of the Master Contract Services Agreement.
Services	Has the meaning set forth in the opening paragraph of the Master Contract Services Agreement.
Statement of Work	Has the meaning set forth in the opening paragraph of the Master Contract Services Agreement.
Written Notice	Has the meaning set forth in Section 8.2(a) of the Master Contract Services Agreement.

APPENDIX C

ADDITIONAL TERMS AND PROVISIONS

Reference is made to the Master Contract Services Agreement having an Effective Date as of April 1, 2010 (the "Master Contract Services Agreement") between Progenitor Cell Therapy, LLC ("Service Provider") and Coronado Biosciences, Inc. ("CORONADO").

The parties agree that the terms and provisions set forth in this Appendix C supersede any contrary provisions contained in the Master Contract Services Agreement and in the event of a conflict between the terms and provisions of the Master Contract Services Agreement and the terms and provisions of this Appendix C (and except as may be set forth in any Statement of Work between the parties), the terms and provisions contained in this Appendix C shall control.

The parties agree that the terms and provisions of this Appendix C are incorporated by reference into the Master Contract Services Agreement as if such terms and provisions were set forth therein and that such terms and provisions of this Appendix C are an integral part of the Agreement (as defined in the Master Contract Services Agreement). Terms not defined in this Appendix C shall have the meaning provided for such term in Appendix B attached to the Master Contract Services Agreement which Appendix B is incorporated by reference into the Master Contract Services Agreement and is an integral part thereof.

1. Quality Agreement.

(a) The parties agree that based upon the Services to be provided (as set forth in each particular Statement of Work), within [*******] after Service Provider's request for a Quality Agreement, the parties, using their best respective efforts, agree to negotiate and execute a Quality Agreement which shall be in form and substance reasonably satisfactory to each party. The Quality Agreement will define the responsibilities of the respective party for compliance with applicable GMP for the manufacture, storage and shipping services for the production of product resulting from the Services set forth in the applicable Statement of Work for clinical and/or commercial purposes. Service Provider is to be responsible for compliance with all applicable requirements while the product resulting from the Services described in the particular Statement of Work is under the direct control of the Service Provider and CORONADO is to be responsible for compliance with all applicable requirements while the product resulting from the Services described in such Statement of Work is under the direct control of CORONADO. The parties agree that the failure of the parties to execute a Quality Agreement will not be deemed a default under the Applicable Services Agreement nor will the failure to execute a Quality Agreement be the basis of a termination of this Agreement or any Applicable Services Agreement.

(b) Either Service Provider or CORONADO, as provided in the Quality Agreement, will bear the upfront costs of any investigation into the cause(s) for any Product Failure (as defined in the Quality Agreement) as required by the provisions of the Quality Agreement. If a Quality Agreement is not entered into between the parties, CORONADO shall be responsible for such costs. Following the investigation's completion, the parties agree to retrospectively share the costs of such investigation in a manner equal to the share of responsibility the parties agree should be assigned to each party based on the investigation's conclusions and to the extent either party, as applicable, can and does provide evidence of the costs of such investigation. If the parties cannot agree as to apportionment of the costs of the investigation, the parties, within [*******] of the determination by either party that a resolution cannot be reached, shall

appoint a third party that is not an Affiliate of either party, to whom they both agree, to review the results of the investigation and apportion liability for the costs of the investigation between the parties based on a root cause analysis. If the parties cannot agree upon a single third party, then each party shall appoint a third party that is not an Affiliate of either party and such third party shall appoint a third party that is not an Affiliate of either party. The three third parties shall review the results of the investigation and apportion liability for the costs of the investigation between the parties based on a root cause analysis. The parties agree to be bound by the third party(ies)'s ruling and to apportion the cost of the third party(ies) between the parties based on the same root cause analysis outlined above.

2. The parties agree that Section 4 (Compensation) contained in the Master Contract Services Agreement is deleted in its entirety and the below sections relating to Pricing and Payments are inserted in lieu thereof:

"4. Pricing and Payments

4.1 Pricing. The amount to be charged by Service Provider for the Services described in a particular Statement of Work shall be set forth in such applicable Statement of Work (the "Price"). The Price shall become due after CORONADO's receipt of the applicable invoice, all as specified in Section 4.2 below.

4.2 Invoices and Payment. Service Provider shall provide monthly invoices to CORONADO, in paper form, sent to the address set forth at the beginning of the Master Contract Services Agreement or to such other address as instructed by CORONADO in writing to the Service Provider. CORONADO agrees that all payments owed to Service Provider pursuant to the Agreement and in any Statement of Work are due no later than [*******] after the due date (as the Price may be expressly set forth in any Statement of Work) or no later than [*******] after the date of invoice (for all other costs and expenses). All payments due under the Agreement and any Statement of Work shall be made in United States Dollars. CORONADO acknowledges and agrees that CORONADO shall pay the Price expressly set forth in any Statement of Work at the times set forth in such Statement of Work.

4.3 Late Payments. In the event any payment due to Service Provider is not received by Service Provider when due under Section 4.2 above, the overdue amount shall incur a charge at the rate of [*******] percent ([*******]%) per month, or the maximum allowed by law, whichever is less; commencing from the date such payment was originally due until such payment is paid in full.

4.4 Reimbursable Expenses. Unless expressly set forth to the contrary in any Statement of Work, CORONADO will also reimburse Service Provider, and Service Provider will separately invoice CORONADO, for Service Provider's reasonable out of pocket and pass through costs and expenses including, but not limited to, those relating to the following:

(i) Costs of reagents and materials.

(ii) Service related travel, accommodation and meal costs incurred by Service Provider and other person(s) or entity(ies) retained by Service Provider to perform Service Provider's obligations pursuant the Agreement and each Statement of Work as reasonably determined by Service Provider, with such costs and expenses to be at the business class level.

(iii) All applicable and actual foreign, federal, state and local taxes, including, without limitation, sales taxes, assessed on any aspect of the Services; excluding income taxes, franchise taxes or any other tax imposed on Service Provider's net income by the United States or any political subdivision thereof.

(iv) Costs associated with outside services, including, but not limited to [*******].

(v) Costs associated with installing the technology and other software and items relating to the Services.

(vi) Packaging & shipping costs for test samples to CORONADO or to a third party as instructed by the CORONADO.

(vii) Costs associated with packing and shipping of product resulting from the Services to CORONADO designated clinical and/or storage sites.

(viii) Costs associated with development and/or validation/qualification of assay methods and/or shipping methods.

(ix) Costs associated with the development of the production record.

(x) Costs associated with any stability trials for raw materials, starting material, intermediate products, final products and/or the costs of reagents used in the manufacture of product resulting from the Services.

(xi) Costs associated with environmental monitoring or Service Provider facility cleaning beyond that currently executed by Service Provider.

(xii) Except as expressly provided in any Statement of Work, costs associated with the preparation and submission of any Investigation New Drug application ("***IND***") or sections of an IND to the FDA relating in any manner to the Services.

(xiii) Costs of regulatory services beyond supplying information (if expressly provided in a Statement of Work) for the compilation of Phase II/Phase III IND CMC submissions.

(xiv) Costs related to regulatory and quality services and interactions, including, but not limited to, costs of any additional qualification and or validation activities to address specific requests received from any regulatory authority, including the FDA following submission of regulatory documentation.

(xv) Except as expressly provided in any Statement of Work, costs associated with assisting CORONADO with a regulatory submissions (including, but not limited to assisting with the completion of any BLA with the FDA) or providing validation reports (including any shipping validation which may be required in connection with any BLA submission.

(xvi) Extension of the manufacturing campaign for the clinical trial beyond the estimated durations set forth in any Statement of Work, additional patients or dose cohorts. Should an extension of any duration of any Stage set forth in a Statement of Work occur, then the costs, if any, associated such extension, including, without limitation, any additional manufacturing facility suite operations and other costs shall be addressed in an appropriate Statement of Work.

(xvii) Costs that may be associated with the technology transfer of the developed processes and procedures resulting from the Services to any GMP manufacturing facility/organization as requested by CORONADO.

(xviii) Costs of process and assay test method validation to the level required for further submission of the product and/or processes results to the FDA.

The parties agree that in connection with the costs set forth in Sections 4.4(i), (v) and (vi) above, a [*******] percent ([*******]%) handling fee will be added by the Service Provider to any invoice relating to such costs. Further, in connection with the costs and expenses covered by Section 4.4(ii) above, prior to such trips and related costs and expenses being incurred, Service Provider will contact CORONADO (either verbally or in writing) and obtain CORONADO's consent, in writing, to the proposed trip(s) to be made.

4.5 Costs of Disposal. Either Service Provider or CORONADO will be responsible for the costs of disposal of any product resulting from the Services as may be required by the provisions of the applicable Quality Agreement. If a Quality Agreement is not entered into between the parties, CORONADO shall be responsible for such costs.

4.6 COLA. CORONADO expressly understands and agrees that all payments and fees (whether pursuant to the Agreement, any Statement of Work, the Quality Agreement or in any other document executed between the parties) payable by CORONADO to Service Provider after January 1, 2011 are subject to a cost of living adjustment ("COLA") effective [*******] and each successive [*******] (each, a "Determination Date"). The COLA calculation will be equal to the [*******] for a base [*******] which shall be deemed the [*******] period immediately preceding the Determination Date and each anniversary thereafter. Upon the occurrence of a price adjustment as a result of COLA as of a Determination Date, Service Provider will notify CORONADO, in writing of the COLA adjustments (including the calculation thereof) and the resultant changes, if any, in the various payments and fees payable by CORONADO to Service Provider. Such written notification by Service Provider to CORONADO will be binding and enforceable against CORONADO absent manifest error and such written notice of the COLA adjustments will be deemed a Statement of Work without any additional action on the part of either party."

3. The parties agree that Section 6 (Confidential Information) contained in the Master Contract Services Agreement is deleted in its entirety and the below sections relating to Confidential Information (as defined below) are inserted in lieu thereof:

"6. Confidential Information.

6.1 Definition. The term "Confidential Information" shall mean any information received by one party (the "Receiving Party") from the other party (the "Disclosing Party") that is identified as being proprietary or confidential to the Disclosing Party or which might permit the Disclosing Party or its customers to obtain a competitive advantage over those who do not have access to the information, including without limitation each party's technology and documentation, technical information and customer lists. Confidential Information shall not include information which (a) is or becomes a part of the public domain through no act or omission of the Receiving Party, (b) is or was in the Receiving Party's lawful possession prior to the disclosure by the Disclosing Party, (c) is disclosed to the Receiving Party by a Third Party entitled to disclose such Confidential Information, or (d) was independently developed by the Receiving Party without use of or access or reference to the Confidential Information of the Disclosing Party.

6.2 Confidentiality Obligations. It is anticipated that each of the parties will disclose to the other party Confidential Information in the course of performing such parties' obligations under the Agreement, including each Statement of Work. Notwithstanding anything to the contrary herein, Receiving Party may disclose the Confidential Information of the Disclosing Party to an Affiliate who is under similar obligations to keep such Confidential Information confidential and to the extent required by law. If such disclosure is requested by legal process, the Receiving Party will make commercially reasonable efforts to notify the Disclosing Party of this request to disclose Confidential Information prior to any disclosure in order to permit the Disclosing Party to oppose such disclosure, at the sole cost and expense of the Disclosing Party, by appropriate

legal action. If as a result of the application of the preceding sentence, Service Provider becomes obligated to provide testimony or records regarding any aspects of the Services in any legal or administrative proceeding, then CORONADO shall reimburse Service Provider all of Service Provider's costs and expenses related thereto plus an hourly fee for Service Provider's employees or representatives equal to the then internal fully burdened costs to Service Provider of such employee or representative.

6.3 Non-Disclosure and Limitation of Use. Except as provided in Section 6.1, Receiving Party shall not disclose the Disclosing Party's Confidential Information, except to its employees or agents in accordance with Section 6 and shall take at least the same precautions to protect the confidentiality of the Disclosing Party's Confidential Information as it takes to protect its own Confidential Information, but in no event less than commercially reasonable precautions. Receiving Party shall not remove any trademark, copyright, restricted rights, limited rights, proprietary rights or confidentiality notices included in or affixed to the Disclosing Party's Confidential Information and shall reproduce all such notices on any copies of the Disclosing Party's Confidential Information made in accordance with this Agreement. Receiving Party may use the Disclosing Party's Confidential Information only to the extent reasonably necessary to carry out its obligations under this Agreement.

6.4 No Rights Granted. The disclosure of Confidential Information by the Disclosing Party hereunder shall not be construed as a grant to the Receiving Party of any ownership or other proprietary right or interest in such Confidential Information, except as set forth in the Agreement. The Receiving Party shall not acquire any title, ownership, or other intellectual property rights or license from the Disclosing Party to any Confidential Information of the Disclosing Party by virtue of such disclosure.

6.5 Return of Confidential Information. Upon expiration or termination of the Agreement for any reason, the Receiving Party shall (a) immediately cease using any of the Confidential Information of the Disclosing Party, and (b) at the written request of Disclosing Party, which notice shall specify the subject Confidential Information, promptly, at Receiving Party's cost and expense, return to the Disclosing Party all tangible embodiments of Disclosing Party's Confidential Information. Notwithstanding anything to the contrary herein, Receiving Party may retain secure copy(ies) of Confidential Information of the Disclosing Party solely for the purpose of determining its obligations hereunder. The confidentiality and non-use obligations of each Receiving Party under this Agreement shall continue in effect for a period of [*******] after the expiration or termination of this Agreement. Notwithstanding the preceding, nothing shall prohibit the Receiving Party from summarizing the terms of this Agreement, or from filing this Agreement as an exhibit, in documents the Receiving Party is required to file with any Governmental Agency, including, but not limited to, the Securities and Exchange Commission; provided that such disclosure shall be only to the extent required to comply with applicable Laws, and provided further: (i) that the Receiving Party shall provide a copy of the proposed disclosure to the Disclosing Party at least [*******] in advance of such disclosure; and (ii) the parties shall mutually agree to the content of such disclosure.

6.6 Irreparable Injury. The Receiving Party agrees that money damages would not be a sufficient remedy for any breach of the confidentiality obligations set forth in Section 6 and that, in addition to all other remedies, Disclosing Party will be entitled to seek injunctive or other equitable relief as a remedy for any such breach by the Receiving Party without having to post a bond."

4. **Representations by CORONADO.** CORONADO makes the following representations, warranties and covenants to Service Provider:

(a) CORONADO is and will remain a corporation duly organized, validly existing and in good standing under the laws of its jurisdiction of organization.

(b) The execution and delivery of the Agreement (and all appendixes thereto) and each Statement of Work has been and will be authorized by all requisite corporate action. The Agreement (and all appendixes thereto) and each Statement of Work is and will remain a valid and binding obligation of CORONADO, enforceable in accordance with its terms, subject to laws of general application relating to bankruptcy, insolvency and the relief of debtors.

(c) CORONADO is and will be under no contractual or other obligation or restriction that is inconsistent with CORONADO's execution or performance of the Agreement (together with all appendixes attached thereto) and any Statement of Work.

(d) CORONADO shall perform its obligations under the Agreement and each Statement of Work and each Quality Agreement in a professional and workmanlike manner with due care and will fully cooperate with reasonable requests of Service Provider, at Service Provider's cost and expense, in connection with Service Provider's performance of the Services.

(e) CORONADO shall obtain and maintain all necessary permits, licenses and authorizations as required under the Agreement, any Statement of Work and all Applicable Laws with respect to the manufacture of product pursuant to the Services described in a particular Statement of Work and human clinical use of such product.

(f) Neither CORONADO nor any employees of CORONADO shall be, at the time of performance of any activity hereunder: (a) disqualified or debarred by the FDA or any other regulatory agency for any purpose; or (b) charged with or convicted under United States Federal law or foreign counterpart thereof, for conduct relating to the development or approval, or otherwise relating to the regulation, manufacture, research or development of biological products.

(g) In performing any of its work or carrying out its obligations under the Agreement and any Statement of Work, CORONADO: (a) shall not knowingly infringe upon any United States or foreign copyright, patent, trademark, trade secret or other proprietary right, or misappropriate any trade secret of any third party in any manner that would cause any liability, loss or damage to Service Provider; and (b) has neither assigned nor otherwise entered into any agreement by which it purports to assign or transfer any right, title or interest to any technology or intellectual property right that would conflict with its obligations under this Agreement and any Statement of Work.

(h) To the best of Coronado's knowledge, all materials, reagents and other product required for the processes relating to the Services can be sourced and are of a grade/nature/origin acceptable for GMP use and for human administration according to all Applicable Laws (including current FDA regulations) and Service Provider's standards that are disclosed, in writing, to CORONADO.

5. The parties agree that Section 7 (Indemnification and Insurance) contained in the Master Contract Services Agreement is deleted in its entirety and the below sections relating to Pricing and Payments are inserted in lieu thereof:

"7. Indemnification and Insurance.

7.1 Indemnification by Service Provider. Service Provider shall indemnify, defend and hold harmless CORONADO and CORONADO's agents, servants, directors, officers and employees (collectively, "***CORONADO's Agents***") from and against any and all claims, damages, losses, expenses, and liabilities of any nature whatsoever, including reasonable attorney's fees and disbursements (collectively, "***Claims***"), incurred, caused, based upon, arising out of or resulting from or failure to perform, or misrepresentation with respect to, any of the terms, covenants or conditions of the Agreement and each Statement of Work, except to the extent incurred, caused or occasioned by, in connection with or arising out of the acts or omissions of CORONADO and/or CORONADO's Agents including, but not limited to, CORONADO's violation or failure to perform, or misrepresentation with respect to, any of the terms, covenants or conditions of the Agreement and each Statement of Work. In the event that a Claim arises in whole or in part from CORONADO's and/or CORONADO's Agents negligence, gross negligence or intentional misconduct or inaction, then the amount of the Claim that Service Provider shall indemnify CORONADO or, if applicable, CORONADO's Agents pursuant to this Section 7.1 shall be reduced by an amount in proportion to the percentage of CORONADO's and/or CORONADO's Agents' responsibilities for such Claim as determined by a court of competent jurisdiction in a final and non-appealable decision or in a binding settlement between the parties. Nothing in this Agreement or in any Statement of Work shall be deemed to require Service Provider to indemnify CORONADO or CORONADO's Agents for or with respect to any bodily injury caused by any product resulting from the Services. CORONADO hereby acknowledges that it has exclusive control and decision making authority with respect to: (i) the specifications that govern the manufacture and use of the any product resulting from the Services; and (ii) specifications that govern the manufacture, packaging and distribution of product resulting from the Services. CORONADO further acknowledges that Service Provider has no control over the "use" of any product resulting from the Services after being shipped by Service Provider in accordance with the Agreement and any Statement of Work.

7.2 Indemnification by CORONADO. CORONADO shall indemnity, defend, and hold harmless Service Provider and Service Provider's agents, servants, directors, officers, managers, members and employees (collectively, "Service Provider's Agents") from and against any and all Claims incurred, caused, based upon, arising out of or resulting from: (i) the use of any products resulting from the Services, including the product's use in the treatment of human subjects; (ii) personal injury to a participant in any clinical trial using any product resulting from the Services or personal injury to any Service Provider Agent directly or indirectly caused by materials, reagents and/or blood related product required for the Services (collectively, "Raw Materials"); (iii) Service Provider's performance of or involvement with Raw Materials or Service Provider's obligations under the Agreement and each Statement of Work; (iv) Service Provider's performance of the Services violating or infringing on the patents, trademarks, trade names, service marks or copyrights of any third party with respect to the Services and/or the process to manufacture product resulting from the Services, product intermediates or the Raw Materials; (v) the harmful or otherwise unsafe effect of the Raw Materials or the product resulting from the Services, including without limitation, a Claim based upon CORONADO or any other person's use, consumption, sale, distribution or marketing of any substance, including the Raw Materials or the product resulting from the Services; (vi) any acts or omissions of CORONADO and/or CORONADO's Agents, including, but not limited to, CORONADO's or CORONADO's Agents' violation or failure to perform, or misrepresentation with respect to, any of the terms, covenants or conditions of the Agreement and any Statement of Work, except to the extent incurred, caused or occasioned by, in connection with or arising out of the acts or omissions of Service Provider and/or Service Provider's Agents including, but not limited to, Service

Provider's violation or failure to perform, or misrepresentation with respect to, any of the terms, covenants or conditions of the Agreement and any Statement of Work. In the event that a Claim arises in whole or in part from Service Provider's and/or Service Provider's Agents' negligence, gross negligence or intentional misconduct or inaction, then the amount of the Claim that CORONADO shall indemnify Service Provider or, if applicable, Service Provider's Agents pursuant to this Section 7.2 shall be reduced by an amount in proportion to the percentage of Service Provider's and/or Service Provider's Agents' responsibilities for such Claim as determined by a court of competent jurisdiction in a final and non-appealable decision or in a binding settlement between the parties.

7.3 Notification of Claim. Upon receipt of notice of any Claim which may give rise to a right of indemnity from the other party hereto, the party seeking indemnification (the "Indemnified Party") shall give written notice thereof to the other party, (the "Indemnifying Party") with a Claim for indemnity. Such Claim for indemnity shall indicate the nature of the Claim and the basis therefore. Promptly after a claim is made for which the Indemnified Party seeks indemnity, the Indemnified Party shall permit the Indemnifying Party, at its option and expense, to assume the complete defense of such Claim, provided that; (i) the Indemnified Party will have the right to participate in the defense of any such Claim at its own cost and expense; (ii) the Indemnifying Party will conduct the defense of any such Claim with due regard for the business interests and potential related liabilities of the Indemnified Party; and (iii) the Indemnifying Party will, prior to making any settlement, notify the Indemnified Party, in writing, of such settlement offer and subsequently consult with the Indemnified Party as to the terms of such settlement. The Indemnified Party shall have the right, at its election, to release and hold harmless the Indemnifying Party from its obligations hereunder with respect to such Claim and assume the complete defense of the same in return for payment by the Indemnifying Party to the Indemnified Party of the amount of the Indemnifying Party's settlement offer. The Indemnifying Party will not, in defense of any such Claim, except with the consent of the Indemnified Party, consent to the 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 the Indemnified Party of a release from all liability in respect thereof. After notice to the Indemnified Party of the Indemnifying Party's election to assume the defense of such Claim, the Indemnifying Party shall be liable to the Indemnified Party for such legal or other reasonable expenses subsequently incurred by the Indemnified Party in connection with the defense thereof at the request of the Indemnifying Party. As to those Claims with respect to which the Indemnifying Party does not elect to assume control of the defense, the Indemnified Party will have the sole and exclusive right to settle or otherwise dispose of any of the same without the consent of the Indemnifying Party.

7.3 Survival; Limitation of Liability. Each party's indemnification obligations to the other party shall survive the expiration or earlier termination of the Applicable Services Agreement. Notwithstanding anything in this Section 7.3 or the Applicable Services Agreement to the contrary, Service Provider's liability to CORONADO pursuant to Section 7 shall not, under any circumstance, exceed an amount equal to the total of all payments actually paid by CORONADO to Service Provider for Services provided by Service Provider pursuant to any Statement of Work (the maximum amount shall exclude all reimbursable amounts described in Section 4.4 as set forth in Appendix C to the Agreement). Further, in no event shall either party be liable to the other for any special damages of any nature whatsoever, including, but not limited to, liability for special, indirect, punitive, exemplary or consequential damages (including damages relating to lost profits, lost business or lost savings), even if a party has been advised of the possibility of and/or incurred such damages.

7.4 Insurance.

A. Each party shall, at all times during the period of the Agreement, obtain and maintain fully paid insurance coverage with limits no less than:

i) Comprehensive General Liability (including coverage for bodily injury and property damage) with limits no less than [*******] Dollars ($[*******]) aggregate, per occurrence; and

ii) In the case of the Service Provider, Workers Compensation with limits no less than the minimum statutory amounts under Applicable Laws.

B. Service Provider shall, at all times during the period of the Agreement, obtain and maintain Professional Liability insurance coverage with limits no less than [*******] Dollars ($[*******]) per occurrence.

C. CORONADO shall, immediately prior to the initiation of any human clinical trials using product resulting from the Services, and at all times afterward for the duration of the Agreement, and for a period of [*******] following the termination or earlier expiration of the Agreement, obtain and maintain Product Liability insurance coverage ("clinical trial insurance") with limits no less than the greater of (i) [*******] ($[*******]) dollars per occurrence and (ii) or an amount, as reasonably determined by CORONADO which is appropriate for the size and scope of the human clinical trials CORONADO intends to engage in, taking into account the number of patients and nature of the human trial.

D. Each party shall furnish to the other a certificate of such insurance evidencing the required policies of insurance set forth above, which certificate shall provide that no such policy shall be materially altered, amended or cancelled without providing the other party with at least [*******] prior written notice of such change and be in form and substance (including deductible amounts) reasonably satisfactory to such other party.

6. The parties agree that Service Provider shall provide the required personnel and support necessary to perform the Services at one or more of Service Provider's facilities located in the United States, as determined solely by Service Provider. Service Provider shall perform the Services as provided in the Agreement and each Statement of Work and each Quality Agreement. Notwithstanding the previous sentence, CORONADO recognizes and agrees that the completion of Services, the timelines and cost figures set forth in the Agreement and each Statement of Work are estimates made by Service Provider in its commercially reasonable determination and that the same may be affected by third parties not directly controlled by Service Provider.

7. Service Provider and CORONADO each acknowledges and agrees to the other that because the Services to be performed is by its nature developmental, Service Provider can only assure compliance with CORONADO's specifications as outlined in the Agreement, each Statement of Work and the applicable Quality Agreement and Service Provider EXPRESSLY MAKES NO WARRANTY OR GUARANTY WHATSOEVER REGARDING THE ACHIEVEMENT OF A SUCCESSFUL OUTCOME FOR THE PROGRAM RESULTING FROM THE SERVICES.

8. DISCLAIMERS:

(a) **DISCLAIMER BY SERVICE PROVIDER. SERVICE PROVIDER DOES NOT WARRANT THAT ANY PRODUCT RESULTING FROM THE SERVICES PERFORMED WILL BE SAFE OR EFFICACIOUS OR THAT ANY FDA SUBMISSION PREPARED AS A RESULT OF PERFORMING THE SERVICES WILL SATISFY ALL THE REQUIREMENTS OF ANY REGULATORY AGENCY AT THE TIME OF SUBMISSION.**

(b) **DISCLAIMER OF WARRANTIES. EXCEPT AS EXPRESSLY PROVIDED IN THE AGREEMENT, NEITHER PARTY MAKES ANY WARRANTY WITH RESPECT TO THE SERVICES OR OBLIGATIONS TO BE SUPPLIED BY SUCH PARTY HEREUNDER AND BOTH PARTIES SPECIFICALLY DISCLAIM ALL EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE SERVICES, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR ANY PARTICULAR PURPOSE OR NONINFRINGEMENT, OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.**

9. Prospective Events. For purposes of this Section, the following terms shall have the meanings given to them as set forth below:

(a) "**Prospective Illegality**" means any foreign, state or federal statute or common law, or foreign, state or federal administrative agency rule, guidance or directive now existing or enacted or promulgated or re-interpreted after the Effective Date of this Agreement that is interpreted by judicial decision, a regulatory agency or legal counsel (in the case of legal counsel pursuant to a legal opinion reasonably acceptable to the receiving party from legal counsel reasonably acceptable to the receiving party and addressed to such receiving party) in such manner as to result in the conclusion that any act or service required of Service Provider or CORONADO under the Agreement or any Statement of Work is in violation of such law, rule, guidance or directive.

(b) "**Prospective Cost Increase**" means either the (a) occurrence of an event outside the control of Service Provider, including, without limitation, any Force Majeure event or (b) the enactment of a foreign, state or federal statute, common law, foreign, state or federal administrative agency rule, guidance or directive or amendment thereof, in any case, after the Effective Date of the Agreement as to which compliance by Service Provider with the terms and provisions of the Agreement or any Statement of Work imposes an extraordinary and unanticipated financial burden that is generally applicable to all providers of cell processing services.

(c) **Effect of a Prospective Illegality.** In the event of a Prospective Illegality, CORONADO and Service Provider shall promptly negotiate in good faith a Statement of Work to the Agreement and any applicable, Statement of Work as necessary to address such Prospective Illegality. Pending agreement on the appropriate amendment, either CORONADO or Service Provider, on [*******] Written Notice to the other, may cease to perform a questioned act; provided, however, that the Agreement will nevertheless be performed by both CORONADO and Service Provider to the extent possible.

(d) **Effect of a Prospective Cost Increase.** In the event of a Prospective Cost Increase, CORONADO and Service Provider shall negotiate in good faith a Statement of Work to the payment terms of the applicable Statement of Work to address such cost increase. To the maximum extent possible, any such Statement of Work agreed to pursuant to this Section 9 of Appendix C shall preserve the primary benefits sought to be achieved by this Agreement and the underlying economic and financial arrangements between the parties. If Client and PCT agree that the primary benefits sought to be achieved by this Agreement cannot be achieved

through an appropriate Statement of Work, then this Agreement, unless an earlier date is agreed to by both parties, will be automatically terminated on the last day of the month which first occurs on or after [*******] after Written Notice by either party to the Point of Contract of the other party referring to this Section 9 of Appendix C as the basis of the Termination of this Agreement. A termination of this Agreement pursuant to this Section 9(d) of Appendix C shall be deemed a termination by the CORONADO without cause pursuant to Section 8.2(b) of the Agreement and the balance of the terms and provisions of Section 8 of the Agreement shall be applicable.

10. Force Majeure. Either party shall be excused from performing its respective obligations under the Agreement and any Statement of Work if its performance is delayed or prevented by Force Majeure, provided that such performance shall be excused only to the extent of and during such disability. Any time specified for completion of performance in the Services falling due during or subsequent to the occurrence of any Force Majeure event shall be automatically extended for a period of time to recover from such disability. Service Provider will promptly notify CORONADO if, by reason of any Force Majeure event Service Provider is unable to meet any such time for performance specified in the Services. If any portion of the Services is invalid as a result of such disability, Service Provider will, upon written request from CORONADO, but at CORONADO's sole cost and expense, repeat that portion of the Services affected by the disability. If Service Provider is likely to be unable to perform for a period in excess of [*******], then the parties agree to negotiate in good faith a mutually satisfactory approach to resolve the delay resulting from this Force Majeure. If the parties cannot reach a mutually satisfactory approach within such [*******] period, then CORONADO shall be entitled to terminate the Agreement without payment of any damages pursuant to Section 8 of this Agreement.

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

Term Sheet in causa Ovamed / Asphelia

Partys:

- Ovamed GmbH, Kiebitzhörn 33-35, 22885 Barsbüttel, Germany
  - — Hereafter Ovamed -
- Asphelia Inc., 787 7th Ave 48th floor, NY 10019, USA
  - — Hereafter Asphelia -

The parties herewith agree the following:

1. Asphelia (respectively formerly Collingwood Pharmaceuticals, Inc.) and Ovamed have entered an exclusive sublicense agreement relating to parasitic biological agents for the prevention, treatment and control of autoimmune diseases (the "Technology") on December 12, 2005, wherein Asphelia is given the exclusive rights by Ovamed (regarding the territories of North- and South America and Japan; referring of the past amendments the parties declare for the avoidance of doubt that the territory of Europe or other territories with exception of the mentioned above are not enfolded) to inter alia use and sell respective products and practice respective processes relating to the Technology ("SL Agreement"). An amendment of the SL Agreement was agreed on November 8, 2007. Furthermore a Manufacturing and Supply Agreement was entered into between the parties on March 29, 2006. ("M&S Agreement"). The M&S Agreement has also been amended on November 8, 2007. After resumption of the above mentioned privity of contracts subsequent to a termination notice by Ovamed on January 8, 2009, the parties refer also to those modified conditions.
2. Due to Asphelia's recent payments relating to the amended SL Agreement, Ovamed herewith confirms good standing of the aforementioned sublicense and resolution of all past disputes between Asphelia and Ovamed, thus, Ovamed confirms Asphelia's compliance with the terms of the amended SL Agreement and accordingly undertakes to immediately withdraw the complaint against Asphelia before the court of Lübeck (LG Lübeck 10 O 210/09). In addition the parties agree to the following terms of the term sheet below.
3. The parties acknowledge that Asphelia did not file its own data since the beginning of the privity of contract because and therefore is unable to file an Investigational New Drug (IND) application with the US Food and Drug Administration (FDA) for early clinical studies (i.e. Phase I and II clinical trials) in the United States for products relating to the Technology, unless all data and information required to pursue and obtain an approval for an IND for such studies in the US including but not limited to Chemistry, Manufacturing and

Controls (CM&C) data and other relevant IND information (e.g., updated nonclinical data) and other aspects of the Technology and the products comprising it ("Required Data") is made available to Asphelia. Ovamed has produced and still is producing such Required Data in a joint cooperation with [*******] ("[*******]") and therefore — under the joint cooperation agreement with [*******] - Ovamed is unable to provide Asphelia with the right to use and reference such Required Data until certain financial obligations, of Ovamed to [*******] are met and the unrefusable consent of [*******] is given. Ovamed confirms that under its agreement with [*******] (sec. 5.5 of such agreement) it is required to reimburse [*******] for fifty percent (50%) of the costs incurred above [*******] EUR in the generation of such Required Data and other data in the joint cooperation.

4. As of the date of this Term Sheet, such financial obligations of Ovamed to [*******] exclusively incurred by the generation of the Required Data are estimated to be approximately [*******] USD.

5. Asphelia agrees to make a milestone payment, in USD, according to the following formula: 0.5X(a-b), where:

- "a" equals the total costs (exclusive of VAT) spent by [*******] on the Required Data in particular on preclinical data, manufacturing development, and IMPD documentation preparation (but not to include any costs associated with the development, set up or execution of any clinical study by [*******]) up to the date of the closing of the intended financing by Asphelia as described in section 6
- "b" equals the [*******] EUR of the costs as described in section (5) a that [*******] must absorb under [*******].

Ovamed shall provide to Asphelia a detailed, accounting of the costs related to the generation of the required data, on Asphelia's request.

6. This milestone payment described in section (5) will be made within thirty (30) days of closing of Asphelia's intended IPO or alternate financing (scheduled and planned in the second half of 2010). If Asphelia fails to close such IPO or alternate financing within seven months after the execution of this agreement, and the milestone payment is not made within 30 days of such closing then this agreement (including the terms below) will expire. Ovamed herewith confirms and undertakes to make all Required Data available to Asphelia according to section (7) or at least according to section (8) and Asphelia confirms to make the mentioned payments to Ovamed subject to the closing of Asphelia's intended IPO or alternative financing within seven months after execution of this Term Sheet.

7. On receipt of this milestone payment described in section (5) by Ovamed, Ovamed shall immediately pay to [*******] the balance of its financial obligations to [*******] specifically related to and limited to the activities above, and Ovamed shall submit with the unrefusable consent by [*******] all [*******] to Asphelia for the use in regulatory submissions and other

filings, including use in the IND application for submission to FDA and permit its release to regulatory authorities and other third parties as required for the conduct of clinical trials and other corporate purposes of Asphelia in the Territory.

8. In case, that there will be no consent by [*******] (7) or there are any other impediments to the transfer of the [*******] Ovamed and Asphelia agree that Ovamed will on its own behalf - under the terms of its agreement with [*******] – initiate preparation of the IND application for FDA review by transmitting the [*******] to Asphelia for the sole purpose of its use in the preparation and submission of the US IND by [*******], and such activities (ethics review, Investigator Brochure etc) as may be required by regulation to conduct clinical trials in the United States, provided that Ovamed and Asphelia agree to prepare and submit the IND and the data therein in the name of Ovamed whereby the existing IND, if any is effective, is transferred to Ovamed and Ovamed executes a transfer of obligations to Asphelia whereby Asphelia shall act as the agent of Ovamed in the USA for the IND and its execution. The [*******] will only be used for the purposes of the agreements - in particular for the IND application [*******] and any other activities as may be required by regulation for the conduct of clinical trials in the United States - between the parties. Notwithstanding anything in the foregoing to the contrary, once the IND is approved by the FDA Ovamed shall agree at Asphelia's request, to transfer [*******], but not before [*******]. To the extent such request is not made by Asphelia at that time, then upon the completion of [*******] Ovamed shall [*******] on Asphelia's request.

9. Within 10 days of execution of this agreement Asphelia shall pay to Ovamed 200,000 USD being 50% of the remaining IND milestone prepayment. When the milestone payment described in section (5) is made by Asphelia to Ovamed and the [*******] are received by Asphelia as provided for in section (7), or when the [*******] are received by Asphelia for [*******] in advance of the payments being made, according to the conditions described in section (8), Asphelia shall within 1 month make the remaining portion (50%) of the final "IND prepayment" milestone payment (described in the Amendment dd Nov 8 2007) to Ovamed of 200.00 USD and Asphelia shall submit [*******] within [*******] after receiving the [*******].

10. The parties preferred to enter into a three-party agreement with [*******]. The contract negotiations were unsuccessful so far. In the event, that [*******], Asphelia and Ovamed will find into a three-party agreement, any payment made or to be made by Asphelia because of this Term Sheet will be set off with the financial obligations between Asphelia and Ovamed of the three-party agreement. By signing the above mentioned three-party agreement this Term Sheet will expire in it's entirety.

11. All other future payment obligations according to the SL Agreement, amendment dd. Nov. 8. 2007, the modified conditions of the termination notice dd. Jan. 8, 2009 remain unaffected. If Asphelia fails to close the IPO or alternate financing and cannot fulfill their further payments commitments in accordance to section (5) and (9) of this agreement and the milestone payments specified in this agreement are not made in time then this agreement shall expire in its entirety without any obligations from Ovamed to Asphelia. Furthermore Asphelia will accept a termination of all existing contracts between Ovamed and Asphelia without any obligations from Ovamed to Asphelia if the payments required under those agreements are not made within 30 days of receipt of written notice from Ovamed.

June 8, 2010 /s/ Detlev Goj	June 8, 2010 /s/ J. Jay Lobell
Date, Signature (Ovamed)	Date, Signature (Asphelia)
Company: Ovamed GmbH	Company: Asphelia
By (Name): Detlev Goj	By (Name): J. Jay Lobell
As Its: Chief Executive Officer	As Its: Acting CEO and Director

**CONFIDENTIAL TREATMENT REQUESTED.
INFORMATION FOR WHICH CONFIDENTIAL TREATMENT HAS BEEN REQUESTED IS OMITTED AND MARKED WITH "[*******]" OR OTHERWISE CLEARLY INDICATED. AN UNREDACTED VERSION OF THIS DOCUMENT HAS ALSO BEEN PROVIDED TO THE SECURITIES AND EXCHANGE COMMISSION.**

Execution Copy

AMENDMENT AND AGREEMENT

THIS AMENDMENT AND AGREEMENT ("**Amendment**") is made as of January 7, 2011 ("**Amendment Effective Date**") by and among Asphelia Pharmaceuticals, Inc., a corporation organized and existing under the laws of the State of Delaware and having its principal office at 787 Seventh Avenue, 48th floor, New York, NY 10019, United States ("**Asphelia**"), Coronado Biosciences Inc., a corporation organized and existing under the laws of the State of Delaware and having its principal office at 45 Rockefeller Plaza, Suite 2000, New York, NY 10111, United States ("**Coronado**"), and OvaMed GmbH, a company with limited liability organized and existing under the laws of Germany and having its principal office at Kiebitzhörn 33-35, 22885 Barsbuttel, Germany ("**OvaMed**"). Asphelia, Coronado and OvaMed are sometimes collectively referred to herein as the "**Parties**".

WITNESSETH:

WHEREAS, on December 12, 2005, Asphelia and OvaMed entered into an Exclusive Sublicense Agreement (the "**Sublicense Agreement**") pursuant to which OvaMed granted Asphelia an exclusive sublicense under Patent Rights and Know-How in the Field in the Territory (each as defined in the Sublicense Agreement), on the terms and conditions set forth therein;

WHEREAS, effective March 29, 2006 Asphelia and OvaMed entered into a Manufacturing and Supply Agreement (the "**Supply Agreement**") pursuant to which OvaMed agreed to manufacture and supply Product (as defined in the Supply Agreement) to Asphelia on the terms and conditions set forth therein;

WHEREAS, Asphelia and OvaMed amended or agreed to amend certain provisions of the Sublicense Agreement and the Supply Agreement and entered into certain additional agreements by letter agreement dated November 8, 2007 (the "**2007 Letter Agreement**");

WHEREAS, Asphelia and OvaMed further amended certain provisions of the Sublicense Agreement and the Supply Agreement, resolved certain disputes, and entered into certain additional agreements by term sheet dated June 8, 2010 (the "**2010 Term Sheet**");

WHEREAS, the Parties agree that certain provisions of the Sublicense Agreement, the Supply Agreement, the 2007 Letter Agreement and the 2010 Term Sheet (collectively, the "**Agreements**") should be further clarified, amended or restated to reflect the current intentions of the Parties with respect to such Agreements, and that it is in their mutual best interests to resolve and compromise amicably any actual or potential disputes and to avoid future disputes arising under the Agreements, and to provide for certain additional agreements between and among the Parties;

WHEREAS, simultaneously with the execution of this Amendment, Asphelia and Coronado have entered into the Asset Purchase Agreement (as defined below); and

WHEREAS, on the Amendment Payment Date (as defined below), and subject to the terms and conditions contained herein, Coronado is making the Amendment Payment (as defined below).

NOW, THEREFORE, in consideration of the foregoing statements and the mutual agreements and covenants herein contained, and for other good and valuable consideration, the adequacy and receipt of which are hereby acknowledged, the Parties hereto intending to be legally bound agree as follows:

1. **Definitions.** Except as set forth herein, capitalized terms not otherwise defined or amended in this Amendment shall have the meaning ascribed to them in the Agreements. The following terms, where used in this Amendment (including in amendments to any of the Agreements) in the singular or plural, shall have the respective meanings set forth below:

"**Amendment Payment**" means 2,390,679.92 EUR, to be paid by Coronado to OvaMed on January 11, 2011 (the "**Amendment Payment Date**"), calculated pursuant to section 5 of the 2010 Term Sheet and representing that portion of the Term Sheet Milestone Payment set forth on the Development Costs Schedule provided to Coronado prior to the Amendment Effective Date and attached hereto as **Appendix 1**.

"**Asset Purchase Agreement**" means the asset purchase agreement entered into simultaneously with the execution of this Amendment by and between Asphelia and Coronado pursuant to which Coronado will acquire the assets and rights of Asphelia related to or used in connection with Asphelia's product candidate referred to as ASP-1002, including Asphelia's rights and interests in and under the Agreements, and Coronado will assume certain liabilities of Asphelia thereunder (the "**Agreements Assignment**").

"**Closing**" means the closing of the sale and purchase of the assets provided for in the Asset Purchase Agreement.

"**Development Costs Reimbursement**" means OvaMed's [*******]% share of [*******]'s Development Costs (as defined in the [*******] Agreement) in excess of [*******] EUR, incurred on or before the Amendment Effective Date.

"**Development Costs Schedule**" means the accounting of the Development Costs Reimbursement, as evidenced by invoices provided by [*******] to OvaMed and from OvaMed to Coronado, in sufficient detail to permit accurate determination and verification of the Amendment Payment, and, if applicable, the Post-Amendment Payment, in accordance with section 5 of the 2010 Term Sheet.

"[*******]" means [*******], a [*******] corporation with its principal business office at [*******].

"[*******] **Payment**" means the payment(s) to be made by OvaMed to [*******] immediately following receipt by OvaMed of the Amendment Payment and, if applicable, the Post-Amendment Payment, in an amount equal to the then outstanding amount of OvaMed's financial obligations to [*******] under Section 5.5 of the [*******] Agreement.

"**IND**" means an Investigational New Drug Application, including all reports and amendments thereto, submitted to the FDA for purposes of conducting clinical trials with respect to Licensed Product in the Territory, in accordance with FDA rules and regulations.

"**IND Data**" means all data, including pharmaceutical, toxicological, pharmacology, preclinical, clinical, safety, chemistry, manufacturing and control (CMC) data and/or all other data, information, and documentation, including regulatory authorizations or communications, that are required to be included in an IND (including the "Required Data" as defined in the 2010 Term Sheet).

"**IND Transfer Date**" means, if the IND is initially submitted by OvaMed, the effective date of transfer of the IND to Coronado, in accordance with the terms of this Amendment.

"**License Agreement**" means the exclusive License Agreement dated December 8, 2005 by and between the University of Iowa Research Foundation ("**UIRF**") and OvaMed.

"[*******] **Agreement**" means the Development, Manufacturing and Commercialization Agreement dated January 9, 2004 by and between OvaMed (f/k/a Biocure GmbH) and [*******].

"**Post-Amendment Payment**" means an amount equal to the difference between the Term Sheet Milestone Payment and the Amendment Payment, payable thirty (30) days after Coronado's receipt of a Development Costs Schedule evidencing invoices received from [*******] for Development Costs Reimbursement relating to (i) [*******]'s Development Costs incurred from January 1, 2011 through January 8, 2011 and (ii) OvaMed's portion of [*******]'s Development Costs representing third party invoices to [*******] for the period from December 1, 2010 through December 31, 2010 but not provided as of the Amendment Effective Date (estimated not to exceed EUR[*******]) (the "**Post-Amendment Payment**").

"**Term Sheet Milestone Payment**" means the amount payable to OvaMed under sections 5 and 6 of the 2010 Term Sheet, as amended, representing the Development Costs Reimbursement relating to [*******]'s Development Costs incurred before the Amendment Effective Date, as evidenced by a Development Costs Schedule as contemplated by such section 5.

2. **Amendments to the Agreements.**

(a) Asphelia was formerly known as Sunset Cliffs Therapeutics, Inc., which was the successor by assignment to the rights and interests of Collingwood Pharmaceuticals, Inc. in the Sublicense Agreement and the Supply Agreement. Pursuant to the Agreements Assignment, Coronado will be assigned and assume rights and obligations of Asphelia under the Agreements. Each of the Agreements is hereby amended effective as of and after the Amendment Effective Date as follows: all references therein to "Collingwood Pharmaceuticals, Inc." "Collingwood", "Asphelia Pharmaceuticals, Inc." and/or "Asphelia" shall be changed to and construed as "Coronado Biosciences Inc." or "Coronado", respectively, *mutatis mutandis*.

(b) The Sublicense Agreement, as amended or otherwise referred to in the 2007 Letter Agreement or the 2010 Term Sheet, is hereby amended as of the Amendment Effective Date as follows:

(i) As the name and legal form of the contracting party was stated incorrectly as "Ovamed GbmH & Co KG", such name is hereby corrected to read "Ovamed GmbH";

(ii) The following is hereby added as a new Section 2.4 to the Sublicense Agreement:

"2.4 As provided by Section 9.5 of the License Agreement, the License Agreement shall be assigned to the Company upon termination of the License Agreement, provided, however, that in the event the License Agreement is terminated due to OvaMed's breach, the Company shall have the rights set forth in Section 9.5 of the License Agreement to bring the License Agreement back into good standing. In the event OvaMed receives notice of a breach of the License Agreement, OvaMed shall notify the Company of such situation as soon as practicable. However, if OvaMed is unable to or does not cure such breach on a timely basis, and such breach gives rise to a right by UIRF to terminate the License Agreement in a way that would terminate or adversely affect the Company's ability to perform its obligations or exercise its rights under this Agreement, OvaMed shall, at the Company's option, permit the Company to cure such breach. If the Company elects to cure such breach, OvaMed shall reimburse the Company for any costs associated with curing such breach, or the Company shall be permitted to set off such costs against amounts owed by the Company to OvaMed under this Agreement";

(iii) The numbering of sub-sections 4.1.1 and 4.1.2 under Section 4.2 of the Sublicense Agreement is hereby corrected, changed to and construed as sub-sections 4.2.1 and 4.2.2, respectively, and any references in the Sublicense Agreement to such sub-sections are hereby changed to and construed as sub-sections 4.2.1 and 4.2.2, respectively; and

(iv) Consistent with the revised definition of the term "Territory" in the 2010 Term Sheet, Coronado shall have no obligation to OvaMed or UIRF under the Sublicense Agreement with respect to, that arises in connection with, or that relates to any country, jurisdiction or territory outside the Territory. Without limiting the generality of the foregoing, Section 4.3 and Article 6 of the Sublicense Agreement are hereby amended to delete therefrom any financial obligation of the Company to OvaMed or UIRF with respect to, arising out of or relating to any country, jurisdiction or territory outside the Territory.

(c) Section 8.1 of the Supply Agreement, as amended or otherwise referred to in the 2007 Letter Agreement or the 2010 Term Sheet, is hereby amended and restated as of the Amendment Effective Date to read as follows:

"8.1. Term

Unless earlier terminated in accordance with Section 8.2, the term (the "Term") of this Agreement shall commence on the Effective Date and shall continue until March 31, 2012, provided, however, that this Agreement shall renew for additional one-year periods unless Coronado provides written notice of termination of this Agreement not later than twelve (12) months prior to the then expiration date of the Term."

(d) Subject to the terms and conditions of this Amendment, the 2010 Term Sheet is hereby amended, effective as of the Amendment Effective Date, as follows:

Section 6 of the 2010 Term Sheet is hereby amended and restated in its entirety to read as follows:

"6. The milestone payment described in Section (5) (the "Term Sheet Milestone Payment") shall be made not later than January 11, 2011 (the "Term Sheet Milestone Payment Date"), except that the portion of the Term Sheet Milestone Payment calculated under Section (5) representing the Development Costs Reimbursement relating to [*******]'s Development Costs incurred from January 1, 2011 through January 8, 2011 and OvaMed's portion of [*******]'s Development Costs representing third party invoices to [*******] for the period from December 1, 2010 through December 31, 2010 but not provided as of the Amendment Effective Date (estimated not to exceed EUR [*******]) shall be payable on the Post Amendment Payment Date. OvaMed herewith confirms and undertakes to make all Required Data available to Coronado according to section (7) or at least according to section (8) and Coronado herewith undertakes to make the Term Sheet Milestone Payment in accordance with the preceding sentence."

Section 11 of the 2010 Term Sheet is hereby amended and restated to read in its entirety as follows:

"11. All other future payment obligations according to the SL Agreement, as amended by the amendment dated November 8, 2007 and this agreement shall remain unaffected. If Coronado cannot fulfill its further payment commitments in accordance with Section (5) and (9) of this agreement, as amended by the Amendment, and the milestone payments specified in this agreement are not made on the dates set forth in Section (6) of this Agreement, as amended by the Amendment, then this agreement, the SL Agreement, and the amendment dated November 8, 2007 shall expire in its entirety without any obligations from OvaMed to Coronado; provided, however, that with the exception of the Term Sheet Milestone Payment, which shall be payable on the dates set forth in Section (6) of this Agreement, as amended by the Amendment, the provisions of Section 9.2 of the SL Agreement shall remain applicable to amounts payable by Coronado to OvaMed".

3. **Additional Agreements of the Parties.** Notwithstanding any other provision of the Agreements or any other prior agreements or arrangements between any of the Parties, and subject to the terms and conditions of this Amendment, the Parties agree that as of and on the Amendment Effective Date:

(a) in compliance with Section 6 of the 2010 Term Sheet, as amended, Coronado shall make the Amendment Payment (and, if applicable, the Post-Amendment Payment) to OvaMed on the Amendment Payment Date (and, if applicable, the Post-Amendment Date, respectively) to an account designated by OvaMed in writing, provided that OvaMed shall provide such written wire instructions to Coronado not later than two (2) business days prior to the Amendment Effective Date (and, if applicable, the Post-Amendment Date);

(b) in compliance with Section 7 of the 2010 Term Sheet, OvaMed shall immediately upon receipt of the Amendment Payment and, if applicable, the Post-Amendment Payment, make the [*******] Payment to [*******] and shall (i) provide Coronado with a complete and accurate copy of the confirmation(s) of the wire transfer of the [*******] Payment; and (ii) use its best efforts to obtain from [*******] (and provide a true and accurate copy to Coronado of) a confirmation acknowledging [*******]'s receipt of the [*******] Payment and confirming that such payments are in full satisfaction of OvaMed's obligations to [*******] under Section 5.5 of the [*******] Agreement;

(c) in compliance with Section 2.3 of the Sublicense Agreement and Sections 6-8 of the 2010 Term Sheet, OvaMed shall no later than the [*******] after receipt of the Amendment Payment make available to representatives of Coronado (in English, to the extent available; otherwise in German) in hard copy, pdf and, to the extent available, CTD (Common Technical Document) format, true, accurate and complete copies of all IND Data, including (i) those components of the IND Data previously made available for review by representatives of Asphelia and Coronado prior to the Amendment Effective Date, and (ii) those components of the IND Data listed on **Appendix A**;

(d) with respect to the Term Sheet Milestone Payment and the [*******] Payment:

(i) OvaMed hereby represents and warrants to Coronado (by way of an independent warranty under German law, "Represents and Warrants") that:

(A) the Development Costs Schedule provided by OvaMed to Asphelia and Coronado prior to the Amendment Effective Date and attached hereto as **Appendix 1** represents a complete and accurate accounting of invoices received by OvaMed from [*******] of the Development Costs Reimbursement relating to [*******]'s Development Costs incurred as of the Amendment Effective Date, and represents all amounts payable by OvaMed to [*******] under Section 5.5 of the [*******] Agreement as of the Amendment Effective Date; the schedule of Development Costs incurred by [*******] up to [*******] EUR provided by OvaMed to Coronado, as set forth under Section 5.6 of the [*******] Agreement, represents a complete and accurate schedule of such Development Costs received by OvaMed from [*******];

(B) the Amendment Payment (together with, if applicable, the Post-Amendment Payment) constitutes payment in full of the Term Sheet Milestone Payment contemplated by Section 5 of the 2010 Term Sheet and payable in accordance with Section 6 of the 2010 Term Sheet, as amended; and

(C) upon payment to OvaMed of the Amendment Payment and immediate payment by OvaMed to [*******] of the [*******] Payment, (1) OvaMed shall have satisfied in full the outstanding balance of OvaMed's financial obligations to [*******] under Section 5.5 of the [*******] Agreement as of the

Amendment Effective Date and no further amounts shall be payable by OvaMed to [*******] in order for OvaMed to receive from [*******] the [*******]; and (2) OvaMed will have all right and authority under the [*******] Agreement to [*******], if the [*******] consent referred to in Paragraph 3(e)(ii) of this Amendment is obtained or, if such [*******] consent is not obtained prior to the [*******], on the terms and conditions set forth in Paragraph 3(e) of this Amendment.

(ii) in accordance with the foregoing, OvaMed further agrees and confirms with Coronado that:

(A) upon payment to OvaMed of the Amendment Payment and the amounts set forth on **Appendix B**, all payment obligations to OvaMed as of the Amendment Effective Date (including under any of the Agreements, including patent reimbursement fees under Section 4.1.2 of the Sublicense Agreement; the milestone payment under Section 4.3.1 of the Sublicense Agreement and referred to in Section 4 of the 2007 Letter Agreement, in paragraph 9 of the 2010 Term Sheet and elsewhere as the IND milestone prepayment; license maintenance fees under Section 4.8 of the Sublicense Agreement; and the Term Sheet Milestone Payment) have been satisfied in full, except for the Post-Amendment Payment which shall be payable in accordance with this Amendment (the Parties confirming that neither the payments set forth on **Appendix 1** nor the payments set forth on **Appendix B** shall be offset against the license maintenance fee under Section 4.8 of the Sublicense Agreement);

(B) upon payment to OvaMed of the Amendment Payment, Coronado shall have no further financial obligation to OvaMed in order for OvaMed to make available to Coronado (1) all IND Data; or (2) any other data and Documentation related to development or commercialization of Licensed Products or Licensed Processes that is developed, owned or controlled by OvaMed, that OvaMed has the right to license to Coronado, or that is required to be provided by OvaMed to Coronado under the Agreements, including under Section 2.3 of the Sublicense Agreement, Section 2.7 of the Supply Agreement, Sections 6-8 of the 2010 Term Sheet, and including in connection with the preparation and submission of the IND; and

(C) OvaMed shall provide Coronado with a complete and accurate accounting of invoices received by OvaMed from [*******] of the Development Costs Reimbursement relating to (i) [*******]'s Development Costs incurred from January 1, 2011 through January 8, 2011 and (ii) OvaMed's portion of [*******]'s Development Costs representing third party invoices to [*******] for the period from December 1, 2010 through December 31, 2010 but not provided as of the Amendment Effective Date (estimated not to exceed EUR [*******]), as soon as invoices relating thereto are obtained by OvaMed.

(e) with respect to the IND Data and the IND:

(i) OvaMed hereby Represents and Warrants that prior to the Amendment Effective Date, OvaMed provided representatives of Asphelia and Coronado with access to true, accurate and complete copies of all IND Data, except for the documents listed and described on **Appendix A**; in addition to the IND Data to be made available to Coronado under Paragraph 3(c) of this Amendment, OvaMed shall also make available to Coronado after the Amendment Effective Date without any additional consideration any additional or updated IND Data requested by the FDA in connection with the IND; and

(ii) OvaMed hereby covenants and agrees with Coronado as follows:

(A) as soon as practicable after payment of the Amendment Payment, OvaMed shall provide Coronado with the consent by [*******] for [*******]; in such event, assuming [*******]; provided, however, that if [*******], the following subsections (B) through (F) shall apply during the period ending on the IND Transfer Date;

(B) as soon as practicable after receipt of the IND Data, OvaMed and Coronado, as consultant to OvaMed, shall cooperate in preparing the IND and OvaMed shall initially submit the IND; as IND sponsor, OvaMed shall be the primary contact with the FDA and shall be responsible for all communications with the FDA, *provided, however*, that Coronado shall have the right to assist and consult with OvaMed with respect to all regulatory submissions or communications relating to the IND prior to making any such submission or communication;

(C) at least thirty (30) days prior to the filing of any document or correspondence with the FDA relating to the IND, OvaMed shall provide Coronado with draft copies thereof and OvaMed shall incorporate any comments of Coronado with respect to the foregoing;

(D) OvaMed shall provide advance notice to Coronado of any planned meetings, discussions, or other communications with the FDA relating to the IND and Coronado shall have the right to participate in such meetings, discussions, or other communications;

(E) OvaMed shall promptly provide Coronado with copies of all filings and submissions made by OvaMed with the FDA relating to the IND shall request that FDA copy Coronado on all correspondence and other communications from the FDA relating to the IND, and shall in any event copy Coronado as on all correspondence and other communications obtained or received by OvaMed from the FDA relating to the IND immediately upon receipt thereof by OvaMed; and

(F) upon the written request of Coronado, provided not less than [*******] after submission of the IND with the FDA, OvaMed shall transfer the IND to Coronado without any additional consideration, including by executing and delivering to Coronado a fully executed assignment document and submitting to the FDA a letter of authorization to transfer to Coronado the IND, in form and substance satisfactory to Coronado. As soon as practicable after the submission of such letter and the receipt by Coronado of the FDA's acknowledgment letter, Coronado shall execute and submit to the FDA a letter, accompanied by the IND transfer letter referred to in the preceding sentence, acknowledging Coronado's commitment to assume ownership of the IND; from and after the IND Transfer Date, Coronado shall be the IND sponsor, the primary contact with the FDA and shall be responsible for all communications and submissions with the FDA relating to the IND.

(f) with respect to the [*******] Agreement and the License Agreement, as applicable, OvaMed hereby Represents and Warrants to Coronado as follows:

(i) The [*******] Agreement is valid and in full force and effect in accordance with its terms. OvaMed is not in default or breach of the [*******] Agreement, nor has it received any notice of any defaults, breaches or violation thereunder. To OvaMed's knowledge, [*******] is not in default or breach of such agreement and OvaMed has no knowledge of any pending or threatened bankruptcy, insolvency or similar proceeding with respect to any party to the [*******] Agreement;

(ii) [*******]'s [*******] provided for in Article 19 of the [*******] Agreement in connection with the Sublicense Agreement or the rights granted thereby was not exercised, was waived, or terminated, in any case in accordance with the terms of such Article 19;

(iii) the License Agreement is valid and in full force and effect in accordance with its terms. OvaMed is not in default or breach of the License Agreement nor has it received any notice of any defaults, breaches or violation thereunder and, to OvaMed's knowledge, UIRF is not in default or breach of such agreement; and

(iv) OvaMed has provided Coronado with a complete and accurate copy of UIRF's confirmation that OvaMed is in good standing under the License Agreement.

(g) Each of OvaMed and Asphelia hereby:

(i) Represents and Warrants to Coronado that:

(G) the Sublicense Agreement and the Supply Agreement have been duly and validly assigned to Asphelia from Collingwood Pharmaceuticals, Inc.; the Agreements are valid and in full force and effect in accordance with their respective terms, and there are no breaches, defaults or events by either party thereto which would (with the giving of notice, the passage of time, or both) give rise to a breach, default or other right to terminate or render non-exclusive the Agreements; and

(H) there are no outstanding, pending or threatened claims, lawsuits or other proceedings initiated or threatened to be initiated directly or indirectly by or on behalf of either OvaMed or Asphelia or any affiliate of OvaMed or Asphelia (or, to OvaMed's knowledge, by or on behalf of [*******] or any affiliate of [*******]) against the other party to the Agreements, any affiliate of such other party or Coronado.

(ii) waives any breach by the other party thereto of any of the Agreements and any failure to comply or delay in compliance with the notice provisions set forth therein, including in Section 8.1 of the Supply Agreement to extend the Term of the Supply Agreement.

(h) OvaMed hereby consents to the Agreements Assignment, effective as of the Amendment Effective Date.

(i) As soon as practicable after the Amendment Effective Date, Coronado and OvaMed shall negotiate in good faith to enter into:

(A) a mutually acceptable amendment to the Supply Agreement, including incorporating the provisions set forth in paragraph 2 of the 2007 Letter Agreement, and

(B) a mutually acceptable three-party agreement with [*******] providing for the ongoing exchange among the parties thereto of safety information and pre-clinical, clinical and other data sharing and reporting in accordance with appropriate laws and regulations of relevant countries and authorities; *provided, however*, that Coronado shall not enter into any agreement with [*******] to which OvaMed is not also a party that relates to the subject matter of the Sublicense Agreement without the prior written agreement of OvaMed, unless OvaMed fails to negotiate in good faith to enter into such three-party agreement; similarly, OvaMed shall not enter into any agreement with [*******] to which Coronado is not also a party that relates to the subject matter of the Sublicense Agreement without the prior written agreement of Coronado, unless Coronado fails to negotiate in good faith to enter into such three-party agreement.

(j) Coronado hereby agrees with OvaMed to commence an FDA-approved clinical study with respect to Licensed Product within [*******] after the date the IND is approved by the FDA, subject to the provisions of this paragraph 3(j):

(i) The foregoing obligation shall not apply if the inability or failure to satisfy such obligation arises from any of the following: (A) an inability to obtain from OvaMed sufficient quantities of clinical supplies in compliance with specifications and FDA regulations; (B) an inability to conduct such clinical study due to action, instruction, delay or guidance by the FDA; (C) a good faith determination on the part of Coronado that the product that is intended to be studied in the clinical study is not safe or efficacious in its then current formulation or dosage form or dose level; (D) any action by or inaction of OvaMed resulting in a breach or termination of any of the Agreements or the License Agreement; or (E) the occurrence of an unexpected or unforeseen "force majeure" event preventing such commencement.

(ii) In the event that Coronado fails to fulfill such obligation and none of the provisions of subsection (i) above are applicable, Coronado shall make a US $[*******] payment to OvaMed. In such event, the obligation to commence a clinical study as set forth in this Paragraph 3(j) shall be extended for an additional [*******], provided that in the event that Coronado fails to fulfill such obligation by such extended date ([*******]) and none of the provisions of subsection (i) above are applicable, Coronado shall make an additional US $[*******] payment to OvaMed. Such US $[*******] payment obligation for failure to fulfill the obligation to commence a clinical study by the then applicable date shall continue to apply for each additional [*******] extension of such date. As a result of any such payments, the failure to fulfill the obligation to commence such clinical study by the then applicable date shall not constitute a breach of this Paragraph 3(j).

(iii) No payments made under this Paragraph 3(j) shall be offset against the license maintenance fee under Section 4.8 of the Sublicense Agreement.

4. **Mutual Releases.**

(a) Release by Asphelia. Asphelia, on its own behalf and on behalf of its Affiliates, predecessors, successors, and assigns and all others claiming by or through any of the foregoing (collectively, the "**Asphelia Parties**"), hereby releases and forever discharges OvaMed, its Affiliates and their respective assigns, attorneys, agents, legal representatives, officers, directors, employees, predecessors, successors, distributors, manufacturers and Affiliates (collectively, the "**OvaMed Releasees**") from any and all claims, causes of action, actions, duties, damages, liabilities, losses, and obligations of every kind and manner whatsoever, in law or in equity, judicial or administrative, civil or criminal, whether or not now known, claimed or asserted, which any Asphelia Party now has, had at any time or may in the future claim to have, against any of the OvaMed Releasees based on, arising out of or related to the Agreements and arising from or relating to any actions, omissions, or events prior to the Amendment Effective Date, provided, however, that the foregoing release shall not include, and Coronado shall retain, all claims, causes of action, actions, duties, rights, damages, liabilities, losses, or obligations arising out of or under this Amendment or under the Agreements to the extent arising from any actions, omissions, or events after the Amendment Effective Date.

(b) Release by OvaMed. OvaMed, on its own behalf and on behalf of its Affiliates, predecessors, successors, and assigns and all others claiming by or through any of the foregoing (collectively, the "**OvaMed Parties**") hereby releases and forever discharges the Asphelia Parties, Coronado, and their respective assigns, attorneys, agents, legal representatives, officers, directors, employees, predecessors, successors, distributors, manufacturers and Affiliates (collectively, the "**Asphelia Releasees**") from any and all claims, causes of action, actions, duties, damages, liabilities, losses, and obligations of every kind and manner whatsoever, in law or in equity, judicial or administrative, civil or criminal, whether or not now known, claimed or asserted, which any OvaMed Party now has, had at any time or may in the future claim to have, against any of the Asphelia Releasees based on, arising out of or related to the Agreements and arising from any actions, omissions, or events prior to the Amendment Effective Date, provided, however, that the foregoing release shall not include, and OvaMed shall retain, all claims, causes of action, actions, duties, rights, damages, liabilities, losses, or obligations arising out of or under this Amendment or under the Agreements to the extent arising from any actions, omissions, or events after the Amendment Effective Date.

5. **Representations and Warranties.** Each Party hereby represents and warrants to the other Parties hereto that:

(a) Such Party has the requisite corporate power and authority to execute and deliver this Amendment, to grant the releases and perform its other obligations hereunder and to consummate the transactions contemplated hereby; the execution, delivery and performance of this Amendment have been duly and validly authorized and no other corporate proceedings are necessary to authorize this Amendment or the performance hereof or thereof by such Party; and

(b) This Amendment has been duly and validly executed and delivered by such Party and, assuming due authorization, execution and delivery by the other Parties, constitutes the valid and binding obligations of such Party, enforceable against such Party in accordance with its terms.

6. **Other.**

(a) From and after the Amendment Effective Date, all references to the Agreements shall mean the Agreements as amended by this Amendment. Except as expressly amended or satisfied by the transactions contemplated by this Amendment, all of the provisions of the Agreements shall remain in full force and effect. Notwithstanding any other provision of this Amendment, including this Paragraph 6, the Parties hereby expressly agree with respect to the letter dated January 8, 2009 from OvaMed to Asphelia stating a termination of the Sublicense Agreement, including the terms and conditions contained therein (the "**2009 Letter**"), that (i) the 2009 Letter shall terminate and shall be deemed terminated in its entirety and shall be void and of no force and effect and (ii) no Party shall have any rights, obligation or liability to any other Party under or as a result of the 2009 Letter or in connection with the termination thereof except as specifically set forth in this Amendment. From and after the Amendment Effective Date, in the event of any ambiguity interpreting any provision of any of the Agreements whether or not as a result of this Amendment, the Parties shall in good faith interpret such provisions to be consistent with the specified terms and provisions and the overall intent and purposes of this Amendment.

(b) This Amendment contains the entire understanding of the Parties with respect to the subject matter of this Amendment. All express or implied agreements and understandings, either oral or written, made on or before the Amendment Effective Date, including any correspondence, emails or term sheets, are expressly superseded by this Amendment. This Amendment may be amended, or any term hereof modified, including this Paragraph 6(b), only by a written instrument duly executed by all Parties. In the event the Closing does not occur on or before January 10, 2011, this Amendment shall be void and of no force and effect.

(c) This Amendment may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Signatures to this Amendment transmitted by fax, by email in "portable document format" ("**.pdf**") or by any other electronic means intended to preserve the original graphic and pictorial appearance of this Amendment shall have the same effect as physical delivery of the paper document bearing original signature.

(d) This Amendment, the Agreements, the rights of the Parties, and all claims arising under or in connection herewith shall be governed by and interpreted in accordance with the substantive laws of Germany, Hamburg, without regard to conflict of laws principles thereof that would cause the application of the laws of any other jurisdiction. The parties irrevocably submit to the jurisdiction of the courts of Germany, Hamburg for the purpose of any claim, controversy, action, cause in action, suit or litigation between the parties arising in whole or in part under or in connection with this Amendment.

(e) All notices, requests and other communications hereunder shall be in writing and shall be personally delivered or sent by fax transmission (and promptly confirmed by personal delivery, registered or certified mail or overnight courier) or by registered or certified mail, return receipt requested, postage prepaid, or sent by internationally-recognized overnight courier, in each case to the respective address specified below, or such other address as may be specified in writing to the other party hereto:

if to Asphelia to:

Asphelia Pharmaceuticals, Inc.
787 Seventh Avenue, 48th Floor
New York, NY 10019, United States
Attention: Chief Executive Officer
Fax No.: 212-554-4488

if to Coronado to:

Coronado Biosciences, Inc.
45 Rockefeller Plaza, 20th Floor
New York, NY 10111, United States
Attention: Chief Operating Officer
Fax No.: 212-332-1667

if to OvaMed and relating to the IND or IND Data to:

OvaMed GmbH
Kiebitzhörn 33-35
22885 Barsbuttel, Germany
Attention: General Manager, (COO), Detlev Goj
Fax No.: +49 40 675 095 59

if to OvaMed and relating to any other matters to:

OvaMed GmbH
Kiebitzhörn 33-35
22885 Barsbuttel, Germany
Attention: General Manager, (CEO), Mr. Alexander Beese
Fax No.: +49 40 675 095 59

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date first set forth above.

Asphelia Pharmaceuticals, Inc.

By: /s/ J. Jay Lobell
Name: J. Jay Lobell
Title: Interim Chief Executive Officer

OvaMed GmbH

By: /s/ Alexander Beese
Name: Alexander Beese
Title: General Manager (CEO)

OvaMed GmbH

By: /s/ Detlev Goj
Name: Detlev Goj
Title: General Manager (COO)

Coronado Biosciences, Inc.

By: /s/ Glenn L. Cooper
Name: Glenn L. Cooper, M.D.
Title: Chairman

Appendix 1

Development Costs Schedule

Invoices from [*******] to Ovamed: [*******]% of costs exceeding €[*******]

Invoice No.	Invoice Date	Amount in €*
16805	13.05.2009/13.07.2009	[*******]
16806	30.06.2009/13.07.2009	[*******]
16807	7/15/09	[*******]
16808	7/15/09	[*******]
16825	8/20/09	[*******]
16828	9/15/09	[*******]
16839	9/15/09	[*******]
16860	30.09.2009/16.10.2009	[*******]
16879	31.10.2009/24.11.2009	[*******]
16888	12/10/09	[*******]
16898	20.12.2009/13.01.2010	[*******]
16903	30.11.2009/31.12.2009	[*******]
16904	30.12.2009/20.01.2010	[*******]
16911	1/29/10	[*******]
16920	30.12.2009/20.01.2010	[*******]
16933	4/7/10	[*******]
16936	2/28/10	[*******]
16941	4/22/10	[*******]
16949	4/30/10	[*******]
16962	6/16/10	[*******]
16978	31.05.2010/30.06.2010	[*******]
16979	30.06.2010/20.07.2010	[*******]
16980	7/20/10	[*******]
17008	9/7/10	[*******]
17009	9/8/10	[*******]
17044	Sept. 2010 - Dec. 2010	[*******]
Total		**2,390,679.92**

*** Payable in EUR (€)**

Appendix A

IND Data Not Provided Prior to Amendment Effective Date

[*******]:

1. [*******]

2. [*******]

3. [*******]

Appendix B

Amount Payable to OvaMed as of Amendment Effective Date[1]

December 2010 Annual License Fee	US $250,000
Net UIRF patent reimbursement	$ 30,883[2]
Net payable on or before January 11, 2011	**US $280,883**

1 Payable in US$. Excludes (i) Term Sheet Milestone Payment, and (ii) remaining balance (US$[*******]) of IND pre-payment milestone payable per 2010 Term Sheet one month after IND Data received by Coronado.

2 For invoices ORE02884, ORE03070, ORE03074, ORE03078 and ORE03165

Exhibit 10.18

ASSET PURCHASE AGREEMENT

ACQUISITION OF CERTAIN ASSETS OF

ASPHELIA PHARMACEUTICALS, INC.

BY

CORONADO BIOSCIENCES, INC.

DATED AS OF JANUARY 7, 2011

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(continued)

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EXHIBIT LIST

EXHIBIT A	Form of Assignment and Assumption Agreement
EXHIBIT B	Form 8594
EXHIBIT C	Form of Investor Representation Letter
EXHIBIT D	Purchaser's Amended and Restated Certificate of Incorporation and the Certificate of Designation, Preferences and Rights of the Series B Preferred Stock

SCHEDULE LIST

SCHEDULE I	Patents and Patent Applications
SCHEDULE II	Transferred Agreements
SCHEDULE III	Contract Consents

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of January 7, 2011 by and between **CORONADO BIOSCIENCES, INC.**, a Delaware corporation ("***Purchaser***"), and **ASPHELIA PHARMACEUTICALS, INC.**, a Delaware corporation ("***Seller***").

RECITALS:

Subject to the terms and conditions set forth herein, Seller desires to sell, convey, transfer, assign and deliver to Purchaser, and Purchaser desires to purchase and acquire from Seller, free and clear of all Encumbrances other than the Assumed Liabilities, all of Seller's right, title and interest in and to all of the Purchased Assets (the "***Acquisition***").

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby expressly acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. As used herein, the following terms shall have the following meanings:

"***Activities to Date***" shall have the meaning given to such term in Section 3.9(a).

"***Acquisition***" shall have the meaning given to such term in the Recitals.

"***Affiliate***" means with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such Person; *provided*, *that*, for purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"***Agreement***" means this Asset Purchase Agreement.

"***Amendment Agreement***" means the Amendment and Agreement by and among Seller, Purchaser and OvaMed GmbH dated January , 2011.

"***Assignment and Assumption Agreement***" shall have the meaning given to such term in Section 2.5(b).

"***Assumed Liabilities***" shall have the meaning given to such term in Section 2.3.

"***CDA***" shall have the meaning given to such term in Section 6.4.

"***Certificate of Designation***" shall mean the Certificate of Designation, Preferences and Rights of the Series B Preferred Stock filed with the Secretary of State of the State of Delaware on January , 2011, as the same may be amended from time to time.

"***Claim***" shall have the meaning given to such term in Section 3.8.

"***Closing***" shall have the meaning given to such term in Section 2.6.

"***Closing Date***" shall have the meaning given to such term in Section 2.6.

"***Code***" means the Internal Revenue Code of 1986, as it may be amended from time to time, and any successor thereto.

"***Consent Solicitation Statement***" shall have the meaning given to such term in Section 3.14.

"***Contract***" means any contract or agreement, whether oral or written, between the Seller and any other Person(s).

"***Contract Consents***" shall have meaning given to such term in Section 3.6(a).

"***Control***" or "***Controlled***," with respect to any Information or intellectual property right, possession by an entity of the ability (whether by ownership, license or otherwise) to grant access to, to grant use of, or to grant a license or a sublicense of or under such Information or intellectual property right without violating the terms of any agreement or other arrangement with any third party.

"***Damages***" shall have the meaning given to such term in Section 7.2.

"***EMEA***" shall mean the European Medicines Agency or any successor agency thereof or, to the extent the mutual recognition procedure is used for a licensed product in the European Union, any governmental authority having the authority to regulate the sale of medicinal or pharmaceutical products in any country in the European Union through marketing approval, not including governmental authorities with responsibility solely for pricing or reimbursement approvals.

"***Encumbrance***" shall mean any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, equity, trust, equitable interest, claim, preference, right of possession, lease, tenancy, license, encroachment, covenant, infringement, interference, Order, proxy, option, right of first refusal, right of first negotiation, preemptive right, community property interest, legend, defect, impediment, exception, reservation, limitation, impairment, imperfection of title, escrow, prior assignment, condition or restriction of any nature (including any restriction on the transfer or licensing of any asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

"***Equity Consideration***" shall have the meaning set forth in Section 2.5(a).

"***Excluded Assets***" shall have the meaning given to such term in Section 2.2.

"***FDA***" shall mean the Food and Drug Administration of the United States Department of Health and Human Services or any successor agency thereof performing similar functions.

"***Form 8594***" shall have the meaning given to such term in Section 2.6.

"***Governmental Authorities***" means all agencies, authorities, bodies, boards, commissions, courts, instrumentalities, legislatures and offices of any nature whatsoever of any government or political subdivision, whether foreign, federal, state, county, district, municipality, city or otherwise.

"Indemnification Cap" shall have the meaning given to such term in Section 7.5.

"***Indemnified Party***" shall have the meaning given to such term in Section 7.4.

"***Indemnifying Party***" shall have the meaning given to such term in Section 7.4.

"***Information***" shall mean all tangible and intangible (a) techniques, technology, practices, trade secrets, inventions (whether patentable or not), methods, knowledge, know-how, skill, experience, test data and results (including pharmacological, toxicological and clinical test data and results), formulations, processes, analytical and quality control data, results or descriptions, software and algorithms and (b) compositions of matter, cells, cell lines, assays, animal models and physical, biological or chemical material.

"***Intellectual Property***" shall mean and include all algorithms, application programming interfaces, apparatus, assay components, biological materials, cell lines, preclinical and clinical data, study designs, chemical compositions or structures, circuit designs and assemblies, databases and data collections, diagrams, formulae, gate arrays, inventions (whether or not patentable), know-how, logos, marks (including brand names, product names, logos, and slogans), methods, network configurations and architectures, net lists, photomasks, processes, proprietary information, protocols, sketches, designs, schematics, specifications, software, software code (in any form including source code and executable or object code), subroutines, test results, test vectors, user interfaces, techniques, URLs, web sites, works of authorship, and other forms of technology (whether or not embodied in any tangible form and including all tangible embodiments of the foregoing such as instruction manuals, laboratory notebooks, prototypes, samples, studies, and summaries).

"***Intellectual Property Rights***" shall mean and include all rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, and mask works; (b) trademark and trade name rights and similar rights; (c) trade secret rights; (d) patents and industrial property rights; (e) other proprietary rights in Intellectual Property of every kind and nature; and (f) all registrations, renewals, extensions, continuations, divisions, or reissues of, and applications for, any of the rights referred to in clauses (a) through (e) above.

"***IRS***" means the United States Internal Revenue Service.

"***Knowledge***" shall have the meaning given to such term in Section 8.10.

"***Laws***" means any Federal, state, foreign or local statute, law, ordinance, regulation, rule, code, Order, other requirement or rule of law.

"***Liability***" means any direct or indirect indebtedness, liability, assessment, expense, claim, loss, damage, deficiency, obligation or responsibility, known or unknown, disputed or undisputed, joint or several, vested or unvested, executory or not, fixed or unfixed, choate or inchoate, liquidated or unliquidated, secured or unsecured, determinable or undeterminable, accrued or unaccrued, absolute or not, actual or potential, contingent or otherwise (including any liability under any guarantees, letters of credit, performance credits or with respect to insurance loss accruals).

"Material Adverse Effect" means any circumstances, state of facts or matters which might reasonably be expected to have a material adverse effect in respect of the Seller's operations, properties, assets, condition (financial or otherwise), results, plans, strategies or prospects, taken as a whole.

"***Notice of Claim***" shall have the meaning given to such term in Section 7.4.

"***Orders***" shall have the meaning given to such term in Section 3.7.

"***Party***" means Seller or Purchaser, individually, as the context so requires, and the term "Parties" means collectively, Seller and Purchaser.

"***PCP Note***" means that certain promissory note issued by Seller to Paramount Credit Partners, LLC dated January 22, 2009 in the principal amount of $750,000.

"***Person***" means an individual, corporation, partnership, limited partnership, limited liability company, limited liability partnership, syndicate, person (including a "person" as defined in Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder), trust, association, entity or government or political subdivision, agency or instrumentality of a government.

"***Proceeding***" shall mean any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding and any informal proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or any arbitrator or arbitration panel.

"***Product Licenses***" shall have the meaning given to such term in Section 3.9(a).

"***Program***" shall mean all of Seller's activities directed specifically to the development and manufacture of the Program Therapy up to the Closing Date.

"***Program IP***" shall mean all Intellectual Property Rights and other proprietary rights related to the Program Therapy (other than Program Patents) owned by Seller.

"***Program Therapy***" shall mean: (a) the Seller's product candidate referred to as ASP-1002, currently being developed as an immunotherapy for the treatment of autoimmune diseases and immune disorders by means of deliberate infestation with helminth, parasitic biologic agents, or the ova of a helminth and (b) any derivative or extension of the therapy described in the preceding clause (a), whether existing on the Closing Date or developed, generated or synthesized by or on behalf of Purchaser or any of its Affiliates or licensees of the Program Patents after the Closing.

"***Program Know-How***" shall mean Information not included in the Program Patents, which Information is: (a) Controlled by Seller immediately prior to the Closing; and (b) directed to the development, manufacture (including synthesis, formulation, storage, breeding, finishing or packaging), use, offer for sale, sale or import of any Program Therapy.

"***Program Patents***" shall mean:

(a) the patents and patent applications listed on Schedule I;

(b) any and all divisionals, continuations and continuations-in-part of the patents and patent applications referenced in the preceding subsection (a);

(c) the foreign patent applications associated with the patent applications referenced in the preceding subsections (a) and (b);

(d) the patents issued or issuing from the patent applications referenced in the preceding subsections (a) through (c); and

(e) reissues, reexaminations, restorations (including supplemental protection certificates) and extensions of any patent or patent application referenced in the preceding subsections (a) through (d).

"***Program Technology***" shall mean the Program IP, Program Know-How and Program Patents.

"***Purchased Assets***" shall have the meaning given to such term in Section 2.1.

"***Purchase Price***" shall have the meaning given to such term in Section 2.5(a).

"***Purchaser***" shall have the meaning given to such term in the preamble of this Agreement.

"***Purchaser Indemnitees***" shall have the meaning given to such term in Section 7.2.

"***Purchaser's Common Stock***" shall have the meaning given to such term in Section 4.4(a).

"***Purchaser's Preferred Stock***" shall have the meaning given to such term in Section 4.4(a).

"***Purchaser Provided Information***" shall have the meaning given to such term in Section 4.6.

"***Purchaser's Restated Charter***" shall mean the Purchaser's Amended and Restated Certificate of Incorporation, as the same may be amended from time to time.

"***Purchaser Third Party Claim***" shall have the meaning given to such term in Section 7.8.

"***Regulatory Authority***" shall mean any regulatory agency, ministry, department or other governmental body having authority in any country or region to control the development, manufacture, marketing, and sale of any pharmaceutical, therapeutic, biologic or medical device product, including the FDA and EMEA.

"***Representatives***" means, with respect to any Party to this Agreement, such Party's directors, officers, members, managers, Affiliates, attorneys, accountants, representatives and other agents.

"***Retained Liabilities***" shall have the meaning given to such term in Section 2.4.

"***Seller***" shall have the meaning given to such term in the preamble of this Agreement.

"***Seller Disclosure Schedules***" shall have the meaning given to such term in the first paragraph of **ARTICLE III**.

"***Seller Indemnitees***" shall have the meaning given to such term in Section 7.3.

"***Seller-Licensed Patents***" shall mean Program Patents owned solely or jointly by any Person other than Seller that are licensed to the Seller.

"***Seller-Owned Patents***" shall mean Program Patents owned solely by the Seller or Seller's joint ownership interest in Program Patents owned jointly by the Seller and any other Person(s).

"***Seller's Common Stock***" shall have the meaning given to such term in Section 3.14.

"***Seller's Preferred Stock***" shall have the meaning given to such term in Section 3.14.

"***Seller Third Party Claim***" shall have the meaning given to such term in Section 7.8.

"***Series B Preferred Stock***" means the Purchaser's Series B Preferred Stock with the rights preferences and privileges as set forth in the Purchaser's Restated Charter and the Certificate of Designation attached hereto as **Exhibit D**.

"***Taxes***" means: (i) any and all taxes, fees, levies, duties, tariffs, imposts and other charges of any kind, imposed by any taxing authority, including taxes or other charges on, measured by, or with respect to income, franchise, windfall or other profits, gross receipts, property, sales, use, capital stock, payroll, employment, social security, workers' compensation,

unemployment compensation or net worth; taxes or other charges in the nature of excise, withholding, ad valorem, stamp, transfer, value-added or gains taxes; (ii) any Liability for the payment of any amounts of the type described in (i) as a result of being a member of an affiliated, combined, consolidated or unitary group for any taxable period; (iii) any Liability for the payment of amounts of the type described in (i) or (ii) as a result of being a transferee of, or a successor in interest to, any Person or as a result of an express or implied obligation to indemnify any Person; and (iv) any and all interest, penalties, additions to tax and additional amounts imposed in connection with or with respect to any amounts described in (i), (ii) or (iii).

"***Tax Return***" means any return, report, statement, form or other documentation (including any additional or supporting material and any amendments or supplements) filed or maintained, or required to be filed or maintained, with respect to or in connection with the calculation, determination, assessment or collection of any Taxes.

"***Transaction Documents***" means, collectively, this Agreement, the Assignment and Assumption Agreement and the Amendment Agreement.

"***Transferred Agreements***" shall have the meaning given to such term in Section 2.1(b).

1.2 Interpretation. Unless the context otherwise requires, the terms defined in Section 1.1 shall have the meanings herein specified for all purposes of this Agreement, applicable to both the singular and plural forms of any of the terms defined herein. When a reference is made in this Agreement to Sections, such reference shall be to a Section of this Agreement unless otherwise indicated. Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation."

1.3 Reorganization. The parties intend this transaction to qualify as a "reorganization" within the meaning of Internal Revenue Code Section 368(a)(1)(c).

ARTICLE II
PURCHASE & SALE OF PURCHASED ASSETS

2.1 Purchased Assets. Subject to the terms and conditions of this Agreement, at the Closing, Seller shall sell, convey, transfer, assign and deliver to Purchaser, and Purchaser shall purchase and acquire from Seller, free and clear of all Encumbrances other than the Assumed Liabilities, all of Seller's right, title and interest in and to all of the following (collectively, the "***Purchased Assets***"):

(a) All Program Technology, and all rights to sue for or assert claims against and remedies against past, present or future infringements of any or all of the Program Technology and rights of priority and protection of interests therein and to retain any and all amounts therefrom except any Excluded Assets;

(b) All Contracts that are set forth on Schedule II (the "***Transferred Agreements***");

(c) Seller's interest in and to any Program Therapy material, starting materials, intermediates and reference standards for and Program Therapy stock on hand; and

(d) All of Seller's data, records, files, manuals and other documentation that embody the Program Technology or the Transferred Agreements, including: (i) studies, reports, publications, correspondence and other similar documents and records, whether in electronic form or otherwise; (ii) all regulatory submissions and any amendments thereto prepared in connection with the Program Therapy and all related materials and documentation including regulatory correspondence, tracking files, meeting minutes and strategy materials; and (iii) all files, documents, correspondence, and records of attorneys or consultants of Seller relating to the prosecution of Program Patents, but excluding Seller's data, records, files, manuals or other documentations related to non-Program Therapies;

in each case, excluding the Excluded Assets. The delivery of all Purchased Assets in a physical form shall be made at such place as designated by Purchaser.

2.2 Excluded Assets. Notwithstanding anything to the contrary contained in Section 2.1 or elsewhere in this Agreement, the following (collectively, the "***Excluded Assets***") shall not be part of the sale and purchase contemplated hereunder, are excluded from the Purchased Assets, and shall remain the property of Seller after the Closing:

(a) All assets not specifically listed in Section 2.1;

(b) All minute books and corporate seals, Tax Returns and similar records of Seller;

(c) All cash, cash equivalents on hand or in bank accounts and short term investments;

(d) Any prepayment, refund, claim, offset or other right of Seller with respect to any Tax arising or resulting from or in connection with the ownership of the Purchased Assets or operation of the Program attributable to any Tax period ending on or prior to the Closing Date, or, in the case of any Tax period which includes but does not end on the Closing Date, the portion of such period up to and including the Closing Date except to the extent the prepayment was made under a Transferred Agreement;

(e) The claims, remedies, rights, consideration (including contractual rights) or any other right related to any of the foregoing of Seller pursuant to this Agreement;

(f) All claims and counterclaims relating to Excluded Assets and all claims arising under Transferred Agreements with respect to any period prior to Closing; and

(g) All rights under insurance policies, including, without limitation, all claims, refunds and credits due or to become due under such policies.

2.3 Assumed Liabilities. Upon and subject to the terms, conditions, representations and warranties of Seller contained herein, and subject to Section 2.4, Purchaser hereby assumes and agrees to pay, perform, and discharge in a timely manner when due the following: (a) any

Liabilities of Seller under the Transferred Agreements, but only to the extent such Liabilities (i) arise after the Closing Date, (ii) do not arise from or relate to any breach by the Seller of any provision of any of such Transferred Agreements, (iii) do not arise from or relate to any event, circumstance or condition occurring or existing on or prior to the Closing Date that, with notice or lapse of time, would constitute or result in a breach of any of such Transferred Agreements, and (iv) are ascertainable (in nature and amount) solely by reference to the express terms of such Transferred Agreements; (b) any Liabilities of Seller under the PCP Note, provided that the Seller obtains the consent of Paramount Credit Partners, LLC for such assumption by Purchaser on or prior to the Closing Date; (c) all Liabilities of Seller relating to the prosecution, ownership, operation, maintenance, sale, lease or use of Purchased Assets by Purchaser but only to the extent that they arise after the Closing; (d) the obligation to pay $350,000 to Laidlaw Venture Partners II, LLC, *provided that* such payment shall be made by Purchaser on or before January 10, 2011; and (e) the obligation to pay $61,000 to Lindsay A. Rosenwald, MD, *provided that* such payment shall be made by Purchaser on or before January 10, 2011 (collectively, the "***Assumed Liabilities***").

2.4 Retained Liabilities. Except for the Assumed Liabilities and the obligations of Purchaser pursuant to Section 7.3 herein, Purchaser shall not assume, and shall have no Liability for, any Liabilities of Seller of any kind, character or description, whether accrued, absolute, contingent or otherwise, it being understood that Purchaser is expressly disclaiming any express or implied assumption of any Liabilities other than the Assumed Liabilities (collectively, the "***Retained Liabilities***").

2.5 Purchase Price; Payment of Purchase Price.

(a) The aggregate consideration (the "***Purchase Price***") for the Purchased Assets shall consist of: (i) the assumption of the Assumed Liabilities; and (ii) 2,525,677 shares of Series B Preferred Stock (the "***Equity Consideration***").

(b) Purchaser and Seller shall execute and deliver an Assignment and Assumption Agreement, a form of which is attached hereto as **Exhibit A** (the "***Assignment and Assumption Agreement***"), evidencing the assignment by Seller of the Purchased Assets and the assumption by Purchaser of the Assumed Liabilities.

(c) The Equity Consideration shall be issued to Seller by Purchaser at the Closing.

2.6 Allocation of Purchase Price. Prior to the Closing, Purchaser shall determine the allocation of the Purchase Price pursuant to Section 1060 of the Code and the treasury regulations promulgated thereunder. Purchaser and Seller agree to reflect such allocation on IRS Form 8594: Asset Acquisition Statement under Section 1060, including any required amendments or supplements thereto ("***Form 8594***"), in the form attached hereto as **Exhibit B**. Form 8594 shall be signed by the Parties on the Closing Date. The Parties hereto further agree that: (a) the allocation of Purchase Price shall be used in filing all required forms under Section 1060 of the Code and all Tax Returns; and (b) they will not take any position inconsistent with such allocation upon any examination of any such Tax Return, in any refund claim or in any tax litigation.

2.7 Closing. The consummation of the purchase and sale of the Purchased Assets and the assumption of the Assumed Liabilities in accordance with this Agreement (the "***Closing***") shall take place at the offices of Purchaser at 45 Rockefeller Plaza Floor 20, Suite 2000, New York, NY 10111, concurrently with the execution and delivery of this Agreement by all of the Parties hereto, or at such other time and place as may be mutually agreed by the parties. The date of the Closing shall be referred to as the "***Closing Date***." The Parties hereby agree to deliver at the Closing such documents, certificates of officers and other instruments as are set forth in **ARTICLE V** hereof and as may reasonably be required to effect the transfer by Seller of the Purchased Assets pursuant to and as contemplated by this Agreement and to consummate the Acquisition. All events which shall occur at the Closing shall be deemed to occur simultaneously.

2.8 Transfer Taxes. Seller shall be responsible for the payment of all sales taxes, transfer taxes, filing fees and similar taxes, fees and charges arising out of or in connection with the Acquisition.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Purchaser that the statements contained in this **ARTICLE III** are true and correct as of the Closing Date, except as specifically disclosed in a document of even date herewith and delivered by Seller to Purchaser referring to the representations and warranties in this Agreement (the "***Seller Disclosure Schedules***"). The Seller Disclosure Schedules will correspond to the numbered and lettered paragraphs contained in this **ARTICLE III**, and the disclosure in any such specified schedule of the Seller Disclosure Schedules shall qualify only the corresponding subsection in this **ARTICLE III** (except to the extent that the relevance of such disclosure to other sections of the Seller Disclosure Schedules or this Agreement is reasonably apparent on its face from the content or the disclosure is specifically cross-referenced in another section of the Seller Disclosure Schedules).

3.1 Organization and Qualification. Seller is a corporation duly qualified or licensed to do business and is in good standing in every jurisdiction in which the conduct of its business, or the ownership or lease of its properties, require it to be so qualified or licensed, except where the failure to be so qualified or licensed would not have a Material Adverse Effect, and has all requisite power and authority to own, operate or lease all of the assets purported to be owned by it, including the Purchased Assets and all rights of the Seller under Transferred Agreements, and to carry on the Program in all material respects as currently conducted. The Seller has never conducted any business under or otherwise used, for any purpose or in any jurisdiction, any fictitious name, assumed name, trade name or other name, other than "Novatrin Pharmaceuticals, Inc." and "Sunset Cliffs Therapeutics, Inc."

3.2 Authority Relative to this Agreement. Seller has all requisite corporate power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party, to perform its obligations hereunder and to consummate the Acquisition. The execution, delivery and performance of this Agreement and the other Transaction Documents by Seller and the consummation by Seller of the Acquisition have been duly and validly authorized by all necessary corporate action of the Seller, and no other corporate action on the part of the

Seller is necessary to authorize this Agreement and the other Transaction Documents or to consummate the Acquisition. This Agreement and the other Transaction Documents have been duly executed and delivered by Seller and, assuming the due authorization, execution and delivery by the other Parties hereto, each such agreement constitutes a legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms.

3.3 No Conflict. Except as set forth on Schedule 3.3 of the Seller Disclosure Schedules, the execution and delivery of this Agreement and the other Transaction Documents by Seller do not, and the performance by Seller of its obligations hereunder and the consummation of the Acquisition and the transactions contemplated by the other Transaction Documents will not: (a) conflict with or violate any provision of the Certificate of Incorporation of Seller; (b) assuming that all filings and notifications described in Section 3.4 have been made, conflict with or violate any Law or Order applicable to Seller or by which any of the Purchased Assets or Seller is bound or affected; (c) contravene, conflict with or result in any breach of or result in a default (or an event which with the giving of notice or lapse of time or both would reasonably be expected to become a default) under, or give to others any right of termination, amendment, acceleration or cancellation or modification of, or result in the creation of an Encumbrance on any of the Purchased Assets or Transferred Agreements; or (d) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Authority or Regulatory Authority the right to revoke, withdraw, suspend, cancel, terminate or modify, any filing, permit, authorization, consent, approval, right or Order that is to be included in the Purchased Assets or is held by the Seller or any employee of the Seller or relates to the Purchased Assets.

3.4 Required Filings and Consents. The execution and delivery of this Agreement and the other Transaction Documents by Seller do not, and the performance by Seller of its obligations hereunder and thereunder and the consummation of the Acquisition will not, require any consent, approval, authorization or permit of, or filing by Seller with or notification by Seller to, any Governmental Authority or Regulatory Authority.

3.5 Intellectual Property.

(a) Disclosure and Ownership of Program Patents; No Encumbrances. There are no Seller-Owned Patents. Schedule 3.5(a) of the Seller Disclosure Schedules lists all of the Seller-Licensed Patents, setting forth in each case the jurisdictions in which the Seller-Licensed Patents have been filed. Except as set forth in Schedule 3.5(a)(ii) of the Seller Disclosure Schedules, Seller has a valid, legally enforceable right to use and license all Seller-Licensed Patents.

(b) Ownership of and Right to Use Program Know-How and Program IP; No Encumbrances. Except as set forth in Schedule 3.5(b) of the Seller Disclosure Schedules, Seller has good, valid and marketable title to, free and clear of all Encumbrances, or a valid, legally enforceable right to use and license, the Program Know-How and Program IP.

(c) Agreements Related to Program Technology. The Transferred Agreements constitute all existing Contracts related to the Program Technology and/or Program Therapy other than (1) non-disclosure agreements, (2) licenses granted to the Seller for off-the-

shelf software, and (3) invention assignment agreements with employees, consultants and contractors that assign or grant to the Seller ownership of inventions and intellectual property developed in the course of providing services to the Seller by such employees, consultants and contractors.

(d) No Third Party Rights in Program Technology. Except as set forth in Schedule 3.5(d) of the Seller Disclosure Schedules:

(i) No Employee Ownership. No current or former officer, director, employee, consultant or independent contractor of the Seller has any right, title or interest in, to or under any Program Technology developed by such person in the course of providing services to the Seller that has not been either (A) irrevocably assigned or transferred to Seller or (B) licensed (with the right to grant sublicenses) to Seller under an exclusive, irrevocable, worldwide, royalty-free, fully-paid and assignable license.

(ii) No Challenges. The Seller has not received any written communication from any Person challenging or threatening to challenge, nor is the Seller a party to any pending and served proceeding or to Seller's Knowledge pending but not served proceeding or threatened proceeding in which any Person is challenging, (A) the Seller's ownership of, and right to use and license, any Program Technology owned by the Seller, or (B) the Seller's right to use and license any Program Technology that is not owned by the Seller.

(iii) No Restrictions. The Seller is not subject to any outstanding decree, order, judgment or stipulation restricting in any manner the use, transfer or licensing of the Program Technology by the Seller.

(e) Patents. Except as set forth in Schedule 3.5(e) of the Seller Disclosure Schedules:

(i) Proper Filing. All Seller-Licensed Patents for which the Seller has any obligation to file or maintain have been duly filed and maintained, including the timely submission of all necessary filings and fees in accordance with the legal and administrative requirements of the appropriate Governmental Authority, and have not lapsed (other than lapsed provisional applications that have been converted to non-provisional applications), expired or been abandoned.

(ii) No Challenges. The Seller has not received any written notice of and has no Knowledge of any basis for any inventorship challenge, interference, invalidity or unenforceability with respect to Program Patents.

(f) No Infringement of Third Party IP Rights. The Seller has never infringed (directly, contributorily, by inducement, or otherwise), misappropriated, or otherwise violated or made unlawful use of any Intellectual Property Right of any other Person or engaged in unfair competition. The Program Therapy, and no method or process used in the development, manufacturing or use of any Program Therapy, infringes, violates, or makes unlawful use of any Intellectual Property Right of, or contains any Intellectual Property misappropriated from, any other Person. There is no legitimate basis for a claim that the Seller or any Program Therapy has infringed or misappropriated any Intellectual Property Right of

another Person or engaged in unfair competition or that any Program Therapy, or any method or process used in the development, manufacturing or use of any Program Therapy, infringes, violates, or makes unlawful use of any Intellectual Property Right of, or contains any Intellectual Property misappropriated from, any other Person. Without limiting the generality of the foregoing:

(i) Infringement Claims. No infringement, misappropriation, or similar claim or Proceeding is pending or, to the best of the Seller's Knowledge, threatened against the Seller or against any other Person who is or may be entitled to be indemnified, defended, held harmless, or reimbursed by the Seller with respect to such claim or Proceeding. The Seller has never received any notice or other communication (in writing or otherwise) relating to any actual, alleged, or suspected infringement, misappropriation, or violation by the Seller, any of their employees or agents, or any Program Therapy of any Intellectual Property Rights of another Person, including any letter or other communication suggesting or offering that the Seller obtain a license to any Intellectual Property Right of another Person.

(ii) Infringement Claims Affecting In-Licensed IP. To the best of the Seller's Knowledge, no claim or Proceeding involving any Intellectual Property or Intellectual Property Right licensed to the Seller is pending or has been threatened, except for any such claim or Proceeding that, if adversely determined, would not materially adversely affect (a) the use or exploitation of such Intellectual Property or Intellectual Property Right by the Seller, or (b) the design, development, manufacturing, marketing, distribution, provision, licensing or sale of any Program Therapy.

(g) Confidentiality. Seller has taken all commercially reasonable and customary measures and precautions necessary to protect and maintain the confidentiality of the Program Know-How.

(h) Employee, Consultant and Contractor Agreements. To the Seller's knowledge, all current and former employees, consultants and contractors of the Seller who are or were involved in, or who have contributed to, the creation or development of any Program Technology have executed and delivered to the Seller a written agreement regarding the protection of proprietary information and the irrevocable assignment to the Seller of any intellectual property rights in Program Technology arising from services performed by such Persons. To the Seller's Knowledge, no current or former employee, consultant or contractor is in violation of any term of any such agreement.

(i) No Government Funding. Except as set forth in Schedule 3.5(i) of the Seller Disclosure Schedule, no funding, facilities or personnel of any Governmental Authority were used, directly or indirectly, to develop or create, in whole or in part, any Program Technology owned by the Seller.

3.6 Contracts.

(a) Schedule 3.6(a) of the Seller Disclosure Schedules contains a true and accurate list of all Contracts pursuant to which Seller enjoys any right or benefit or undertakes any obligation related to the Purchased Assets, other than (i) non-disclosure agreements,

(ii) licenses granted to the Seller for off-the-shelf software, and (iii) invention assignment agreements with employees, consultants and contractors that assign or grant to the Seller ownership of inventions and intellectual property developed in the course of providing services to the Seller by such employees, consultants and contractors. Each of the Transferred Agreements is (assuming due authorization and execution by the other party or parties hereto) valid, binding and in full force and effect and enforceable by Seller in accordance with its terms. Except as set forth on Schedule 3.6(a) of the Seller Disclosure Schedules, no consents are necessary for the effective assignment to and assumption by the Purchaser of any of the Transferred Agreements or for the consummation of the transactions contemplated hereby (the "***Contract Consents***").

(b) The consummation of the transactions contemplated by this Agreement will not result in a material breach of any Transferred Agreement.

(c) There exists no default or event of default or event, occurrence, condition or act, with respect to Seller, or to Seller's Knowledge, with respect to the other contracting party, which, with the giving of notice, the lapse of the time or the happening of any other event or conditions, would become a default or event of default under any Transferred Agreement. Seller has not received written or oral notice of, and has no Knowledge of any intent to effect, the cancellation, modification or termination of any Transferred Agreement. True, correct and complete copies of all Transferred Agreements have been delivered to Purchaser.

3.7 Compliance with Laws. Except as set forth on Schedule 3.7 of the Seller Disclosure Schedules, Seller is not in conflict in any respect with or in default or violation of any material order, judgment, preliminary or permanent injunction, temporary restraining order, award, citation, decree, consent decree or writ (collectively, "***Orders***") of any Governmental Authority or Regulatory Authority, materially affecting or relating to the Purchased Assets or the Program, or the Laws of any Governmental Authority, materially affecting or relating to the Purchased Assets or the Program. Except as set forth on Schedule 3.7 of the Seller Disclosure Schedules, Seller has not received from any Governmental Authority any notification in writing with respect to possible conflicts, defaults or violations of Laws materially affecting or relating to the Purchased Assets or the Program.

3.8 Claims and Proceedings. Except as set forth on Schedule 3.8 of the Seller Disclosure Schedules, there is no outstanding Order of any Governmental Authority or Regulatory Authority against or involving the Purchased Assets, the Assumed Liabilities or any Program Therapy. To the Seller's Knowledge, and except as set forth on Schedule 3.8 of the Seller Disclosure Schedules, there is no action, suit, claim or counterclaim or legal, administrative or arbitral proceeding or investigation (collectively, "***Claim***") (whether or not the defense thereof or Liabilities in respect thereof are covered by insurance), pending or threatened against or involving the Purchased Assets, the Assumed Liabilities or any Program Therapy or that otherwise relates to or might affect the business of the Seller or any of the Purchased Assets (whether or not the Seller is named as a party thereto). To the Seller's Knowledge, there is no proposed Order that, if issued or otherwise put into effect, (i) may have an adverse effect on the business, condition, assets, liabilities, operations, financial performance, net income or prospects of the Seller or on the ability of the Seller to comply with or perform any covenant or obligation under any of the Transactional Documents, or (ii) may have the effect of preventing, delaying, making illegal or otherwise interfering with the Acquisition or any of the Transaction Documents.

3.9 Regulatory Compliance.

(a) With respect to the Seller's product candidates, (A) the Seller has obtained all necessary and applicable approvals, clearances, authorizations, licenses and registrations required by the United States or foreign governments or government agencies for the conduct of its development and commercialization activities conducted to date (the "***Activities to Date***") with respect to each product or service (collectively, the "***Product Licenses***"), except where the failure to hold such Product Licenses has not had a Material Adverse Effect and would not reasonably be expected to have a Material Adverse Effect; (B) the Seller is in material compliance with all terms and conditions of each Product License and with all applicable legal requirements pertaining to the Activities to Date with respect to each product or service which is not required to be the subject of a Product License; and (C) to the Seller's Knowledge, the Seller is in compliance in all material respects with all legal requirements regarding registration, license or certification for each site at which a product candidate is manufactured. The Seller is in compliance in all material respects with all applicable reporting requirements for all Product Licenses or plant registrations described in the immediately preceding sentence.

(b) The Seller is in material compliance with all FDA, EMEA and other non-United States equivalent agencies and similar state and local laws applicable to the maintenance, compilation and filing of reports, including medical device reports, with regard to its products and services.

(c) The Seller has not received any written notice or other written communication from the FDA or any other Governmental Authority (i) contesting the pre-market clearance or approval of, the uses of or the labeling and promotion of any of its products or services; or (ii) otherwise alleging any violation of any laws by the Seller.

(d) There have been no recalls, field notifications or seizures ordered or adverse regulatory actions taken (or, to the Knowledge of the Seller, threatened) by the FDA, EMEA or any other Governmental Authority with respect to any of the Seller's products or services, including any facilities where any of the Seller's products are produced, processed, packaged or stored and the Seller has not within the last three years, either voluntarily or at the request of any Governmental Authority, initiated or participated in a recall of any of the Seller's products or provided post-sale warnings regarding any of the Seller's products.

(e) All filings with and submissions to the FDA, EMEA and any corollary entity in any other jurisdiction made by the Seller with regard to any product or service, whether oral, written or electronically delivered, were true, accurate and complete in all material respects as of the date made, and, to the extent required to be updated, as so updated remain true, accurate and complete in all material respects as of the date hereof and do not materially misstate any of the statements or information included therein, or omit to state a material fact necessary to make the statements therein not misleading.

(f) None of the Seller nor its directors, officers, employees, agents, representatives or consultants are under investigation by the FDA or other regulatory authorities for debarment action or presently debarred pursuant to the Generic Drug Enforcement Act of 1992, as amended, or any analogous laws.

3.10 No Finder. Neither Seller nor any Person acting on behalf of Seller has agreed to pay to any broker, finder, investment banker or any other Person, a brokerage, finder's or other brokerage fee or commission in connection with this Agreement or any matter related hereto, nor has any broker, finder, investment banker or any other Person taken any action on which a Claim for any such payment would be based. Seller shall be solely responsible for paying any and all fees, commissions or other compensation to which any party disclosed on Schedule 10 of the Seller Disclosure Schedules is entitled or claims on account of the Acquisition.

3.11 Financial Statements. The Seller has delivered to the Purchaser the unaudited balance sheets of the Seller as of December 31, 2009 and September 30, 2010 and the related statements of operations and cash flows for the year ended December 31, 2009 and the nine months ended September 30, 2010 (collectively, the "***Unaudited Financial Statements***"). The Unaudited Financial Statements are accurate and complete in all respects, have been prepared in accordance with generally accepted accounting principles applied on a consistent basis throughout the periods covered and present fairly the financial position of the Seller as of the respective dates thereof and the results of operations and cash flows of the Seller for the periods covered thereby. As of the Closing Date, Seller has no outstanding indebtedness other than the PCP Note.

3.12 Solvency. Immediately after giving effect to the consummation of the Acquisition and the other transactions contemplated by the Transaction Documents, Seller will be able to pay its debts as they come due and Seller will not have unreasonably small assets with which to conduct its present or proposed business. The cash and other assets available to Seller, after taking into account all other anticipated uses of the cash, will be sufficient to pay all debts of Seller promptly and in accordance with their terms. Seller has not, at any time, made a general assignment for the benefit of creditors, or filed, or had filed against it, any bankruptcy petition or similar Proceeding. As used in this Section 3.12, (i) "insolvent" means that the sum of the present fair saleable value of Seller's assets and any cash received by Seller under this Agreement does not and will not exceed its debts and other probable Liabilities and (ii) "debts" includes any legal Liability, whether mature or unmatured, liquidated or unliquidated, absolute, fixed or contingent, disputed or undisputed or secured or unsecured that is reasonably likely to occur or accrue.

3.13 Capitalization, Etc. The Seller has provided to the Purchaser accurate and complete copies of the certificate of incorporation and bylaws of the Seller, including all amendments thereto. The authorized capital stock of the Seller, immediately prior to the Closing, consists of (i) 20,000,000 shares of Common Stock, par value $0.001 per share (the "***Seller's Common Stock***"), 2,789,098 shares of which are issued and outstanding, (ii) 5,000,000 shares of Subordinated Class A Common Stock, $0.001 par value per share (the "***Seller's Class A Common Stock***"), 1,949,568 shares of which are issued and outstanding and (ii) 5,000,000 shares of Preferred Stock, par value $0.001 per share (the "***Seller's Preferred Stock***"), 3,000,000 shares of which are designated Series A Preferred Stock, 2,335,806 of which are issued and

outstanding and 1,000,000 shares of which are designated Series B Preferred Stock, 189,871 of which are issued and outstanding. All issued and outstanding shares of the Seller's Common Stock and the Seller's Preferred Stock (i) have been duly authorized and validly issued and are fully paid and nonassessable and (ii) were issued in compliance with all applicable state and federal laws concerning the issuance of securities. The rights, preferences, privileges and restrictions of the Seller's Preferred Stock are as stated in the Seller's certificate of incorporation, as amended, provided by Seller to Purchaser.

3.14 Accuracy of Information Provided to Seller's Noteholders and Stockholders. The information provided in the consent solicitation statement distributed by Seller to the Seller's noteholders and/or stockholders in connection with the Acquisition (the "***Consent Solicitation Statement***") did not, at the time such Consent Solicitation Statement was provided to the Seller's noteholders and/or stockholders on or about December 30, 2010, and does not as of the Closing Date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading; *provided that*, Seller makes no representation or warranty with respect to financial projections or forecasts or the Purchaser Provided Information.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PURCHASER

Purchaser represents and warrants to Seller that each of the following representations and warranties is true and correct as of the Closing Date:

4.1 Organization and Qualification. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and has all requisite corporate or other power and authority and all necessary governmental approvals to own, lease and operate its properties and to carry on its business as now being conducted.

4.2 Authority Relative to this Agreement. Purchaser has all necessary corporate power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party, to perform its obligations hereunder and to consummate the Acquisition. The execution and delivery of this Agreement and the other Transaction Documents by Purchaser and the consummation by Purchaser of the Acquisition have been duly and validly authorized by all necessary corporate action of the Purchaser and its board of directors, and no other corporate proceedings on the part of Purchaser are necessary to authorize this Agreement or to consummate the Acquisition. This Agreement and the other Transaction Documents have been or when executed and delivered will be duly executed and delivered by Purchaser and, assuming the due authorization, execution and delivery by the other Parties hereto, each such agreement constitutes a legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms.

4.3 Required Filings and Consents. The execution and delivery of this Agreement and the Transaction Documents by Purchaser do not, and the performance by Purchaser of its obligations hereunder and the consummation of the Acquisition will not, require any consent, approval, authorization or permit of, or filing by Purchaser with or notification by Purchaser to, any Governmental Authority.

4.4 Capitalization.

(a) The authorized capital stock of the Purchaser, immediately prior to the Closing, consists of (i) 50,000,000 shares of Common Stock, par value $0.001 per share (the "***Purchaser's Common Stock***"), 4,791,102 shares of which are issued and outstanding, and (ii) 15,000,000 shares of Preferred Stock, par value $0.001 per share (the "***Purchaser's Preferred Stock***"), 5,000,000 shares of which are designated Series A Preferred Stock, 4,357,885 of which are issued and outstanding and 5,000,000 shares of which are designated Series B Preferred Stock, none of which are issued and outstanding.

(b) All issued and outstanding shares of the Purchaser's Common Stock and the Purchaser's Preferred Stock (i) have been duly authorized and validly issued and are fully paid and nonassessable and (ii) were issued in compliance with all applicable state and federal laws concerning the issuance of securities.

(c) The rights, preferences, privileges and restrictions of the Series B Preferred Stock are as stated in the Purchaser's Restated Charter and the Certificate of Designation attached hereto as **Exhibit D**. The Series B Preferred Stock is convertible into Purchaser's Common Stock on a one-for-one basis as of the date hereof and the consummation of the transactions contemplated hereunder will not result in any anti-dilution adjustment or other similar adjustment to the outstanding shares of Purchaser's Preferred Stock. When issued in compliance with the provisions of this Agreement and the Purchaser's Restated Charter, the Series B Preferred Stock and the shares of Purchaser's Common Stock issuable upon conversion of the Series B Preferred Stock will be validly issued, fully paid and nonassessable, and will be free of any liens or encumbrances other than liens and encumbrances created by or imposed upon the holders of such shares; *provided, however,* that the Series B Preferred Stock and the shares of Purchaser's Common Stock issuable upon conversion of the Series B Preferred Stock may be subject to restrictions on transfer under state and/or federal securities laws as set forth herein or as otherwise required by such laws at the time a transfer is proposed. The issuance of the Series B Preferred Stock pursuant to this Agreement (and the subsequent distribution of such Series B Preferred Stock pursuant to Section 6.6 hereof) will not be subject to any preemptive rights or rights of first refusal on the capital stock of the Purchaser that have not been properly waived or complied with.

4.5 No Finder. Neither Purchaser nor any Person acting on behalf of Purchaser has agreed to pay to any broker, finder, investment banker or any other Person, a brokerage, finder's or other fee or commission in connection with this Agreement or any matter related hereto, nor has any broker, finder, investment banker or any other Person taken any action on which a Claim for any such payment could be based.

4.6 Accuracy of Information Provided to Seller's Noteholders and Stockholders. The information regarding Purchaser provided by Purchaser to the Seller in writing expressly for inclusion in the Consent Solicitation Statement distributed by Seller to the Seller's noteholders and/or stockholders in connection with the Acquisition (the "***Purchaser Provided Information***") did not, at the time such Consent Solicitation Statement was provided to the Seller's noteholders and/or stockholders on or about December 30, 2010 and does not as of the Closing Date, contain any untrue statement of a material fact or omit to state any material fact necessary in order to

make the statements made therein, in light of the circumstances under which they were made, not misleading; *provided that*, Purchaser makes no representation or warranty with respect to financial projections or forecasts.

ARTICLE V
CLOSING DELIVERABLES

5.1 Closing Deliverables of Purchaser. At the Closing, Purchaser shall deliver to Seller the following:

(a) A duly executed Assignment and Assumption Agreement by Purchaser;

(b) Duly executed copies of each other Transaction Document to be executed and delivered by the Purchaser;

(c) The Equity Consideration; and

(d) Such other documents as are required to be delivered by Purchaser to Seller pursuant to this Agreement.

5.2 Closing Deliverables of Seller. At the Closing, Seller shall deliver to Purchaser the following:

(a) Evidences of transfer or assignment of all of the Purchased Assets from Seller to Purchaser free and clear of all Encumbrances (except Assumed Liabilities) reasonably satisfactory to Purchaser and its counsel;

(b) Copies of all Contract Consents set forth on Schedule III;

(c) An executed Assignment and Assumption Agreement by Seller in the form attached hereto as **Exhibit A**;

(d) A certificate of good standing, dated as of a date not more than five days prior to Closing, certifying that Seller is in good standing in the State of Delaware and the State of New York;

(e) The executed Form 8594, in the form attached hereto as **Exhibit B**.

ARTICLE VI
ADDITIONAL COVENANTS

6.1 Further Assurances. Seller hereby agrees, without further consideration, to execute and deliver following the Closing such other instruments of transfer and take such other action as Purchaser or its counsel may reasonably request in order to put Purchaser in possession of, and to vest in Purchaser, good, valid and unencumbered title to the Purchased Assets in accordance with this Agreement.

6.2 Expenses. Each of the Parties shall bear its own expenses incurred in connection with the preparation, execution and performance of this Agreement and the Acquisition, including all fees and expenses of its Representatives.

6.3 Public Announcements. From and after the date of this Agreement, Seller agrees not to make any public announcement or other disclosure concerning this Agreement or the transactions contemplated herein (unless compelled to disclose by judicial or administrative process or, in the opinion of legal counsel, by other requirements of law, or comes into the public domain through no fault of Seller) without obtaining the prior written consent of Purchaser as to form, content and timing.

6.4 Confidentiality. The provisions of that certain Confidentiality Agreement dated December 1, 2010 by and between Purchaser and Seller (the "***CDA***") are hereby incorporated herein and shall remain binding and in full force and effect; *provided, however,* that all obligations of the Purchaser under the CDA with respect to the Purchased Assets shall terminate simultaneously with the Closing. Except as otherwise provided herein or in the other Transaction Documents, Seller shall, and shall cause its Representatives to treat after the date hereof as strictly confidential (unless compelled to disclose by judicial or administrative process or, in the opinion of legal counsel, by other requirements of law, or comes into the public domain through no fault of Seller) all nonpublic, confidential or proprietary information concerning the Purchased Assets, and Seller shall not, after the date hereof use such information to the detriment of the Purchaser.

6.5 Transfer of Files. With respect to data, records, files, manuals and other documentation that embody the Program Technology or the Transferred Agreements, including: (i) studies, reports, correspondence and other similar documents and records, whether in electronic form or otherwise; and (ii) all files, documents, correspondence, and records of attorneys or consultants of Seller relating to the prosecution of Program Patents, constituting Purchased Assets, Seller shall transfer and deliver all of the aforementioned items, on the Closing Date or thereafter on such date or dates as may be requested by Purchaser, to the locations, and in accordance with the instructions, specified by Purchaser. In the event that any of the abovementioned items reside in digital or electronic format on any equipment that is not included in the Purchased Assets, then the hard drive or other medium shall be imaged and provided to Purchaser in a reasonably accessible format.

6.6 Distribution of Equity Consideration. Immediately upon Closing, the Seller shall transfer all of the Equity Consideration provided for in Section 2.5(a) of the Agreement to the Seller's preferred stockholders in accordance with the liquidation preferences set forth in the

Seller's certificate of incorporation, who received preferred stock in satisfaction in full of Seller's obligations under and the cancellation of the Company's outstanding indebtedness (other than the Assumed Liabilities); *provided that* no shares of Series B Preferred Stock shall be transferred by Seller to any Person unless such Person provides an investor representation letter addressed to the Purchaser in the form attached as **Exhibit C** hereto, without the Purchaser's prior written consent.

6.7 Operation of Business. As soon as practical following the Closing, Seller shall wind up its operations and dissolve in accordance with applicable law. Seller shall not engage in any business activity or otherwise operate as an operating business other than any activity expressly contemplated by the Transaction Documents or otherwise necessary with respect to winding up obligations and liabilities of Seller existing as of the date of the Closing.

ARTICLE VII
SURVIVAL; INDEMNIFICATION

7.1 Survival of Representations and Warranties. All of the representations and warranties made by Seller and Purchaser contained in this Agreement shall survive the execution and delivery of this Agreement and the Closing. All covenants and agreements made by Seller or Purchaser in or pursuant to this Agreement or any other Transaction Document shall survive the Closing and remain in full force and effect indefinitely to give effect to their respective terms, unless otherwise expressly provided for by their terms.

7.2 Indemnification by Seller. Subject to the limitations set forth in Section 7.5, Seller shall indemnify, defend, save and hold Purchaser and its Representatives (collectively, "***Purchaser Indemnitees***") harmless from and against all losses, costs, damages and expenses, including reasonable attorneys' fees and expenses and reasonable fees and expenses of other professionals and experts, but excluding unforeseeable, speculative, special, indirect, consequential, exemplary and punitive damages ("***Damages***") (but net of the amount of (x) any insurance proceeds realized by such Purchaser Indemnitees from insurance policies with respect to such matters or (y) any recoveries by any Purchaser Indemnitees from any third party, without duplication) resulting proximately from:

(a) Seller's breach of any representation or warranty of Seller contained in this Agreement, the Transaction Documents or in any certificate furnished pursuant hereto by Seller;

(b) Seller's breach or nonfulfillment of any covenant or agreement made by Seller in or pursuant to this Agreement or in any Transaction Document; or

(c) Seller's failure to satisfy any Liabilities relating to any Excluded Asset and any of its obligations relating to any of the Retained Liabilities.

7.3 Indemnification by Purchaser. Purchaser shall indemnify, defend, save and hold Seller and its Representatives (collectively, "***Seller Indemnitees***") harmless from and against any and all Damages (but net of the amount of (a) any insurance proceeds realized by such Seller Indemnitees from insurance policies with respect to such matters or (b) any recoveries by any Seller Indemnitees from any third party, without duplication) resulting proximately from:

(a) Purchaser's breach of any representation or warranty of Purchaser contained in this Agreement, the Transaction Documents or in any certificate or document furnished pursuant hereto by Purchaser; or

(b) Purchaser's failure to fully assume and satisfy any Assumed Liabilities.

7.4 Notice of Claims. If (i) any Purchaser Indemnitee or Seller Indemnitee (an "***Indemnified Party***") believes that it has suffered or incurred or will suffer or incur any Damages for which it is entitled to indemnification under this **ARTICLE VII**, or (ii) any Claim is instituted by or against a third party with respect to which any Indemnified Party intends to claim any Damages, such Indemnified Party shall so notify the party or parties from whom indemnification is being claimed (the "***Indemnifying Party***") with reasonable promptness and reasonable particularity in light of the circumstances then existing (the "***Notice of Claim***"). The Notice of Claim delivered pursuant to this Section 7.4 shall describe the Damages and/or Claim in reasonable detail and shall indicate the amount of the Damages that have been or may be suffered by the Indemnified Party. The failure of an Indemnified Party to give any notice required by this Section shall not affect any of such Party's rights under this **ARTICLE VII** or otherwise except and to the extent that such failure is prejudicial to the rights or obligations of the Indemnifying Party.

7.5 Limitation of Claims. The liability of Seller or Purchaser for indemnifiable Damages pursuant to Section 7 shall not be payable unless and until the aggregate amount of all Damages suffered or incurred by the Purchaser Indemnitees or Seller Indemnitees, as the case may be, collectively exceeds $25,000; thereafter, a Purchaser Indemnitee or Seller Indemnitee shall be entitled to seek compensation for Damages, and Seller or Purchaser, as applicable, shall be responsible for the payment of Damages to the extent in excess of $25,000. The aggregate liability of Seller or Purchaser for indemnifiable Damages pursuant to Section 7.2(a) or Section 7.2(b) hereof shall in no event exceed 10 percent of the fair market value of the Equity Consideration as of the date of the final non-appealable determination of such Damages (the "***Indemnification Cap***"). Notwithstanding the foregoing, the limitations on Damages set forth in this Section 7.5 shall not apply to any Damages arising from, or directly or indirectly relating to, any fraud by or on behalf of a Seller or Purchaser, as applicable.

7.6 Objections to Claims. In case an Indemnifying Party shall object in writing to any Claim or Claims by an Indemnified Party made in any Notice of Claim, the Indemnified Party shall have 20 days following the receipt of such written objection to respond in a written statement to the objection of Indemnifying Party. If after such 20 day period there remains a dispute as to any claims, Seller and Purchaser shall attempt in good faith for 30 days to agree upon the rights of the respective parties with respect to each of such claims.

7.7 Resolution of Conflicts. If no agreement can be reached after good faith negotiation between the parties pursuant to Section 7.6, Purchaser or Seller may initiate formal legal action pursuant to Section 8.5 of this Agreement to resolve such dispute.

7.8 Third Party Claims. Should any Claim be made or suit or proceeding be instituted against any Purchaser Indemnitee, which, if prosecuted successfully, would be a matter for which such Purchaser Indemnitee is entitled to indemnification pursuant to Section 7.2 (a "***Purchaser Third Party Claim***"), Purchaser shall notify Seller within 20 days after Purchaser's receipt of notification of the Purchaser Third Party Claim, including a description of the factual basis of the Purchaser Third Party Claim and shall indicate the amount of the Damages. Thereafter, Purchaser shall promptly deliver to Seller copies of all notices and documents (including court papers) received by Purchaser relating to the Purchaser Third Party Claim. Seller shall be entitled to participate in the defense of the Purchaser Third Party Claim and, if it so chooses, to assume the defense thereof at its own expense with counsel selected by Seller and reasonably acceptable to Purchaser, if Seller gives written notice to Purchaser of its election to assume the defense of such Purchaser Third Party Claim within 10 days after Seller receives notice of such claim from Purchaser; *provided*, *however*, that Seller shall not be entitled to assume the defense of any Claim related to, either directly or indirectly, (i) the Program Technology or any intellectual property acquired by Purchaser in connection with this Agreement, (ii) criminal liability, (iii) in which equitable relief is sought against a Purchaser Indemnitee or (iv) with respect to which the potential Damages could be reasonably expected to exceed the Indemnification Cap. If Seller assumes the defense of a Purchaser Third Party Claim, Seller may not consent to the entry of any judgment or enter into any settlement with respect to the Purchaser Third Party Claim without the prior written consent of the Purchaser Indemnitee (not to be unreasonably withheld or delayed) if (i) such judgment or settlement does not include as an unconditional term thereof the giving by each claimant or plaintiff to each Purchaser Indemnitee of a full release from all liability in respect to such Purchaser Third Party Claim, (ii) such judgment or settlement would result in the finding or admission of any violation of Law by Purchaser or the rights of any person, (iii) the sole relief provided is anything other than monetary damages or (iv) as a result of such consent or settlement, injunctive or other equitable relief would be imposed against the Purchaser Indemnitee. Purchaser will cooperate, at the expense of Seller, as Seller may reasonably request in investigating, defending and, subject to the terms set forth above, settling such Purchaser Third Party Claim. If Seller elects not to defend a Purchaser Third Party Claim, is not permitted to defend such Purchaser Third Party Claim or fails to notify Purchaser of its election as herein provided, Purchaser may pay, compromise, settle or defend such Purchaser Third Party Claim at the sole cost and expense of Seller if Seller is determined to be liable to Purchaser hereunder, *provided*, *however*, that no such payment in compromise or settlement of, or other compromise or settlement of, may be effected by Purchaser without the Seller's consent (which shall not be unreasonably withheld or delayed). In any event, Seller shall be entitled, at its expense, to participate in any defense of such Purchaser Third Party Claim with the consent of Purchaser, which shall not be unreasonably withheld. Should any Claim be made or suit or proceeding be instituted against any Seller Indemnitee, which, if prosecuted successfully, would be a matter for which such Seller Indemnitee is entitled to indemnification pursuant to Section 7.3 (a "***Seller Third Party Claim***"), Seller shall notify Purchaser within 20 days after Seller's receipt of notification of the Seller Third Party Claim, including a description of the factual basis of the Seller Third Party Claim and shall indicate the amount of the Damages. Thereafter, Seller shall promptly deliver to Purchaser copies of all notices and documents (including court papers) received by Seller relating to the Seller Third Party Claim. Purchaser shall be entitled to participate in the defense of the Seller Third Party Claim and, if it so chooses, to assume the defense thereof at its own expense with counsel

selected by Purchaser and reasonably acceptable to Seller, if Purchaser gives written notice to Seller of its election to assume the defense of such Seller Third Party Claim within 10 days after Purchaser receives notice of such claim from Seller; *provided*, *however*, that Purchaser shall not be entitled to assume the defense of any Claim related to, either directly or indirectly, (i) criminal liability, (ii) in which equitable relief is sought against a Seller Indemnitee or (iii) with respect to which the potential Damages could be reasonably expected to exceed the Indemnification Cap. If Purchaser assumes the defense of a Seller Third Party Claim, Purchaser may not consent to the entry of any judgment or enter into any settlement with respect to the Seller Third Party Claim without the prior written consent of the Seller Indemnitee (not to be unreasonably withheld or delayed) if (i) such judgment or settlement does not include as an unconditional term thereof the giving by each claimant or plaintiff to each Seller Indemnitee of a full release from all liability in respect to such Seller Third Party Claim, (ii) such judgment or settlement would result in the finding or admission of any violation of Law by Seller or the rights of any person, (iii) the sole relief provided is anything other than monetary damages or (iv) as a result of such consent or settlement, injunctive or other equitable relief would be imposed against the Seller Indemnitee. Seller will cooperate, at the expense of Purchaser, as Purchaser may reasonably request in investigating, defending and, subject to the terms set forth above, settling such Seller Third Party Claim. If Purchaser elects not to defend a Seller Third Party Claim, is not permitted to defend such Seller Third Party Claim or fails to notify Seller of its election as herein provided, Seller may pay, compromise, settle or defend such Seller Third Party Claim at the sole cost and expense of Purchaser if Purchaser is determined to be liable to Seller or Seller Indemnitee hereunder, *provided*, *however*, that no such payment in compromise or settlement of, or other compromise or settlement of, may be effected by Seller without the Purchaser's consent (which shall not be unreasonably withheld or delayed). In any event, Purchaser shall be entitled, at its expense, to participate in any defense of such Seller Third Party Claim with the consent of Seller, which shall not be unreasonably withheld.

7.9 Survival of Indemnification Claims. The indemnification obligations set forth in this **ARTICLE VII** shall survive the Closing.

7.10 Tax Effect of Indemnification Payments. All indemnity payments made by Seller to Purchaser Indemnitees, or by Purchaser to Seller Indemnitees, pursuant to this Agreement shall be treated for all Tax purposes as adjustments to the Purchase Price.

ARTICLE VIII
GENERAL

8.1 Notices. All notices, requests, claims, demands or other communications that are required or may be given pursuant to the terms of this Agreement shall be in writing and shall be deemed to have been duly given (a) when delivered, if delivered by hand, (b) one day after transmitted, if transmitted by a nationally recognized overnight courier service, (c) when telecopied, if telecopied (which is confirmed), or (d) three days after mailing, if mailed by registered or certified mail (return receipt requested), to the parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 8.1):

(a) If to Purchaser:

Coronado Biosciences, Inc.
45 Rockefeller Plaza
Floor 20, Suite 2000
New York, NY 10111
Attention: Gary Gemignani
Telephone: (212) 332-166
Fax: (212) 332-1667

With a simultaneous copy to:

Cooley LLP
4401 Eastgate Mall
San Diego, California 92121
Attention: Jason Kent
Telephone: (858) 550-6044
Fax: (858) 550-6420

(b) If to Seller:

Asphelia Pharmaceuticals, Inc.
787 Seventh Avenue, 48th Floor
New York, NY 10019, United States
Attention: Chief Executive Officer

With a simultaneous copy to:

Wyrick Robbins Yates & Ponton LLP
4101 Lake Boone Trail, Suite 300
Raleigh, NC 27607
Attention: W. David Mannheim
Telephone: (919) 781-4000
Fax: (919) 781-4865

8.2 Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction declares that any term or provision hereof is invalid or unenforceable, the parties hereto agree that the court making such determination shall have the power to limit the term or provision, to delete specific words or phrases, or to replace any invalid or unenforceable term or provision with a term or provision that is valid and enforceable and that comes closest to

expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term.

8.3 Successors And Assigns; Parties In Interest.

(a) This Agreement shall be binding upon: the Seller and its successors and assigns (if any) and the Purchaser and its successors and assigns (if any). This Agreement shall inure to the benefit of: the Seller, the Purchaser; the other Indemnified Parties; and the respective successors and assigns (if any) of the foregoing.

(b) The Purchaser may freely assign any or all of its rights under this Agreement, in whole or in part, to any other Person without obtaining the consent or approval of any other Person. Seller shall not be permitted to assign any of its rights or delegate any of its obligations under this Agreement without the Purchaser's prior written consent.

(c) Except for the provisions of Section 7 hereof, none of the provisions of this Agreement is intended to provide any rights or remedies to any Person other than the parties to this Agreement and their respective successors and assigns (if any). Without limiting the generality of the foregoing, (i) no employee of the Seller shall have any rights under this Agreement or under any of the other Transaction Documents, and (ii) no creditor of the Seller shall have any rights under this Agreement or any of the other Transaction Documents. Notwithstanding the foregoing, the preferred stockholders of Seller who receive the Equity Consideration are agreed to be intended third-party beneficiaries of the representations and warrants of Purchaser set forth in ARTICLE IV and the obligations under Section 6.6 and 6.7.

8.4 Incorporation of Exhibits. All Exhibits and Schedules attached hereto and referred to herein are hereby incorporated herein and made a part of this Agreement for all purposes as if fully set forth herein.

8.5 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK OTHER THAN CONFLICT OF LAWS PRINCIPLES THEREOF DIRECTING THE APPLICATION OF ANY LAW OTHER THAN THAT OF NEW YORK. COURTS WITHIN THE STATE OF NEW YORK WILL HAVE JURISDICTION OVER ALL DISPUTES BETWEEN THE PARTIES HERETO ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THE AGREEMENTS, INSTRUMENTS AND DOCUMENTS CONTEMPLATED HEREBY. THE PARTIES HEREBY CONSENT TO AND AGREE TO SUBMIT TO THE JURISDICTION OF SUCH COURTS. EACH OF THE PARTIES HERETO WAIVES, AND AGREES NOT TO ASSERT IN ANY SUCH DISPUTE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY CLAIM THAT (I) SUCH PARTY IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF SUCH COURTS, (II) SUCH PARTY AND SUCH PARTY'S PROPERTY IS IMMUNE FROM ANY LEGAL PROCESS ISSUED BY SUCH COURTS OR (III) ANY LITIGATION COMMENCED IN SUCH COURTS IS BROUGHT IN AN INCONVENIENT FORUM.

8.6 Headings; Interpretation. The descriptive headings contained in this Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Agreement. The Parties have participated jointly in the negotiation and drafting of this Agreement. In the event an 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 provisions of this Agreement.

8.7 Counterparts; Facsimiles. This Agreement may be executed and delivered (including by electronic or facsimile transmission) in two or more counterparts, and by the different parties hereto in separate counterparts, each of which when executed and delivered shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

8.8 Entire Agreement. This Agreement (including the Schedules and Exhibits attached hereto) and the Transaction Documents executed in connection with the consummation of the Acquisition contain the entire agreement between the Parties with respect to the subject matter hereof and related transactions and supersede all prior agreements, written or oral, with respect thereto.

8.9 Waivers and Amendments; Non-Contractual Remedies. This Agreement may be amended, superseded, canceled, renewed or extended only by a written instrument signed by all of the Parties. The provisions hereof may be waived only in writing signed by all of the Parties. No delay on the part of any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any Party of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.

8.10 Knowledge. For purposes of this Agreement, a Party shall be deemed to have "Knowledge" of a particular fact or other matter if any Representative of such Party has or would have, after reasonable investigation and due diligence, knowledge of such fact or other matter.

8.11 Time Of The Essence. Time is of the essence of this Agreement.

8.12 Remedies Cumulative; Specific Performance. The rights and remedies of the parties hereto shall be cumulative (and not alternative). The Sellers agree that: (a) in the event of any breach or threatened breach by the Seller of any covenant, obligation or other provision set forth in this Agreement, the Purchaser shall be entitled (in addition to any other remedy that may be available to it) to seek (i) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant, obligation or other provision, and (ii) an injunction restraining such breach or threatened breach; and (b) neither the Purchaser nor any other Purchaser Indemnitee shall be required to provide any bond or other security in connection with any such decree, order or injunction or in connection with any related action or Proceeding.

[Signatures appear on next page]

IN WITNESS WHEREOF, intending to be legally bound hereby, the Parties have caused this Agreement to be signed in their respective names by their duly authorized representatives as of the date first above written.

CORONADO BIOSCIENCES, INC.

By: /s/ Glenn L. Cooper
Name: Glenn L. Cooper
Title: Chairman

ASPHELIA PHARMACEUTICALS, INC.

By: /s/ J. Jay Lobell
Name: J. Jay Lobell
Title: Director, Interim Chief Executive Officer

EXHIBIT A

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

EXHIBIT B

FORM 8594

EXHIBIT C

FORM OF INVESTOR REPRESENTATION LETTER

EXHIBIT D

AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

AND

THE CERTIFICATE OF DESIGNATION, PREFERENCES AND RIGHTS OF THE SERIES B PREFERRED STOCK

Exhibit 10.19

CORONADO BIOSCIENCES, INC.
EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (this ***"Agreement"***) is made and entered into effective as of March 21, 2011 (the "***Effective Date***") by and among **CORONADO BIOSCIENCES, INC.** (the ***"Company"***) and Bobby W. Sandage, Jr., PhD (the ***"Executive"***). The Company and Executive are hereinafter collectively referred to as the ***"Parties"***, and individually referred to as a ***"Party"***. This Agreement supersedes any and all prior and contemporaneous oral or written employment agreements or arrangements between Executive and the Company.

RECITALS

A. The Company desires assurance of the association and services of Executive in order to retain Executive's experience, skills, abilities, background and knowledge, and is willing to engage Executive's services on the terms and conditions set forth in this Agreement.

B. Executive desires to be in the employ of the Company, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing Recitals and the mutual promises and covenants herein contained, and for other good and valuable consideration, the Parties, intending to be legally bound, agree as follows:

1. EMPLOYMENT.

1.1 Title. Effective as of the Effective Date, Executive's position shall be President and Chief Executive Officer, subject to the terms and conditions set forth in this Agreement.

1.2 Term. The term of this Agreement shall begin on the Effective Date and shall continue until it is terminated pursuant to Section 4 herein (the ***"Term"***).

1.3 Duties. Executive shall do and perform all services, acts or things necessary or advisable to manage and conduct the business of the Company and that are normally associated with the position of President and Chief Executive Officer. Executive shall report to the Company's Board of Directors (the "***Board***").

1.4 Policies and Practices. The employment relationship between the Parties shall be governed by this Agreement and by the policies and practices established by the Company and/or the Board, or any designated committee thereof. In the event that the terms of this Agreement differ from or are in conflict with the Company's policies or practices or the Company's Employee Handbook, this Agreement shall control.

1.5 Location. Unless the Parties otherwise agree in writing, during the Term Executive shall perform the services Executive is required to perform pursuant to this Agreement from his home office in St. Louis, Missouri, ***provided, however*****,** that the Company may from time to time require Executive to travel temporarily to other locations in connection with the Company's business. This will include periodic trips to the Company's offices in New York, New York, as dictated by business needs and/or directed by the Board (or a delegate thereof).

2. LOYALTY; NONCOMPETITION; NONSOLICITATION.

2.1 Loyalty. During Executive's employment by the Company, Executive shall devote Executive's full business energies, interest, abilities and productive time to the proper and efficient performance of Executive's duties under this Agreement. The parties agree that Executive's service on the Board of Directors of Gentium S.p.A. shall not constitute a breach of this Section so long as such service does not materially interfere with Executive's duties or responsibilities for the Company. Other associations prior to the date hereof, personal passive investments and personal business affairs not inconsistent with this Agreement, including without limitation third party consultations unrelated to the Executive's duties hereunder, or teaching, writing or public speaking are permitted, so long as these activities do not interfere with the Executive's duties hereunder.

2.2 Agreement not to Participate in Company's Competitors. During the Term, Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Executive to be adverse or antagonistic to the Company, its business, or prospects, financial or otherwise, or in any company, person, or entity that is, directly or indirectly, in competition with the business of the Company or any of its Affiliates (as defined below). Ownership by Executive, in professionally managed funds over which the Executive does not have control or discretion in investment decisions, or as a passive investment, of less than two percent (2%) of the outstanding shares of capital stock of any corporation with one or more classes of its capital stock listed on a national securities exchange or publicly traded on a national securities exchange or in the over-the-counter market shall not constitute a breach of this Section. For purposes of this Agreement, ***"Affiliate,"*** means, with respect to any specific entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified entity.

2.3 Covenant not to Compete. During the Term and for a period of six (6) months thereafter (the "***Restricted Period***"), Executive shall not engage in competition with the Company and/or any of its Affiliates, either directly or indirectly, in any manner or capacity, as adviser, principal, agent, affiliate, promoter, partner, officer, director, employee, stockholder, owner, co-owner, consultant, or member of any association or otherwise, in any phase of the business of developing, manufacturing and marketing of products or services that are in the same field of use and which materially compete with the products or services of the Company, except with the prior written consent of the Board.

2.4 Nonsolicitation. During the Restricted Period, Executive shall not: (i) solicit or induce, or attempt to solicit or induce, any employee of the Company or its Affiliates to leave the employ of the Company or such Affiliate; or (ii) solicit or attempt to solicit the business of any client or customer of the Company or its Affiliates with respect to products, services, or investments similar to those provided or supplied by the Company or its Affiliates.

2.5 Acknowledgements. Executive acknowledges and agrees that his services to the Company pursuant to this Agreement are unique and extraordinary and that in the course of performing such services Executive shall have access to and knowledge of significant confidential, proprietary, and trade secret information belonging to the Company. Executive agrees that the covenant not to compete and the nonsolicitation obligations imposed by this Section 2 are reasonable in duration, geographic area, and scope and are necessary to protect the Company's legitimate business interests in its goodwill, its confidential, proprietary, and trade secret information, and its investment in the unique and extraordinary services to be provided by Executive pursuant to this Agreement. If, at the time of enforcement of this Section 2, a court holds that the covenant not to compete and/or the nonsolicitation obligations described herein are unreasonable or unenforceable under the circumstances then existing, then the Parties agree that the maximum duration, scope, and/or geographic area legally permissible under such circumstances will be substituted for the duration, scope and/or area stated herein.

3. COMPENSATION OF THE EXECUTIVE.

3.1 Base Salary. The Company shall pay Executive a base salary at the annualized rate of Three Hundred and Seventy Five Thousand Dollars ($375,000.00) (the ***"Base Salary"***), less payroll deductions and all required withholdings, payable in regular periodic payments in accordance with the Company's normal payroll practices. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day fiscal year.

3.2 Annual Milestone Bonus. At the sole discretion of the compensation committee of the Board (the "***Compensation Committee***"), following each calendar year of employment Executive shall be eligible to receive an additional cash bonus of up to fifty percent (50%) of the Base Salary (the "***Annual Milestone Bonus***"), based on Executive's attainment of certain financial, clinical development, and/or business milestones (the "***Milestones***") to be established annually by the Compensation Committee. The Milestones for 2011 shall be established as soon as practicable following the Effective Date. The determination of whether Executive has met the Milestones, and if so, the bonus amount (if any) that will be paid, shall be determined by the Compensation Committee in its sole and absolute discretion. Executive must remain employed by the Company through and including the last day of the calendar year in order to be eligible to earn or receive any Annual Milestone Bonus for that year. For the avoidance of doubt, the parties agree that Executive will be eligible for a *pro rata* bonus for 2011, provided that he remains employed by the Company through and including December 31, 2011. For all other years, no *pro rata* bonus will be available (*i.e.,* in those years, if Executive's employment terminates for any reason prior to or on the last day of the calendar year, he will not be eligible for any bonus for that year). Any Annual Milestone Bonuses shall be paid in cash as either single lump-sum payments or in installments, as determined by the Compensation Committee.

3.3 Market Capitalization Milestones.

(i) Subject to Executive's continued employment, upon (or as soon as administratively practicable following) the Board's (or a duly-authorized committee's) determination that the Market Capitalization (as defined below) of the Company has, for the first time, exceeded One Hundred Twenty-Five Million Dollars ($125,000,000) for a period of thirty (30) consecutive trading days during the Term and the average trading volume of the Company's common stock (the "***Common Stock***") during such period is at least Fifty Thousand (50,000) shares per trading day (the "***First Capitalization Milestone***"), then the Company shall pay to the Executive a one time cash bonus of Sixty-Two Thousand, Five Hundred Dollars ($62,500), subject to standard payroll deductions and withholdings.

(ii) Subject to the Executive's continued employment, upon (or as soon as administratively practicable following) the Board's (or a duly-authorized committee's) determination that the Market Capitalization of the Company has, for the first time, exceeded Two Hundred Fifty Million Dollars ($250,000,000) for a period of thirty (30) consecutive trading days during the Term and the average trading volume of the Common Stock during such period is at least One Hundred Thousand (100,000) shares per trading day (the "***Second Capitalization Milestone***"), then the Company shall pay to the Executive a one time cash bonus of One Hundred and Twenty-Five Thousand Dollars ($125,000), subject to standard payroll deductions and withholdings.

(iii) Subject to the Executive's continued employment, upon (or as soon as administratively practicable following) the Board's (or a duly-authorized committee's) determination that the Market Capitalization of the Company has, for the first time, exceeded Five Hundred Million Dollars (US$500,000,000) for a period of thirty (30) consecutive trading days during the Term and the average trading volume of the Common Stock during such period is at least One Hundred Thousand (100,000) shares per trading day (the "***Third Capitalization Milestone***"), then the Company shall pay to the Executive a one time cash bonus of Two Hundred and Fifty Thousand Dollars ($250,000), subject to standard payroll deductions and withholdings.

(iv) Subject to the Executive's continued employment, upon (or as soon as administratively practicable following) the Board's (or a duly-authorized committee's) determination that the Market Capitalization of the Company has, for the first time, exceeded One Billion Dollars ($1,000,000,000) for a period of thirty (30) consecutive trading days during the Term and the average trading volume of the Common Stock during such period is at least one hundred thousand (100,000) shares per trading day (the "***Fourth Capitalization Milestone***"), then the Company shall pay to the Executive a onetime cash bonus of Five Hundred Thousand Dollars ($500,000), subject to standard payroll deductions and withholdings.

(v) For purposes of this Agreement, "***Market Capitalization***" shall be determined by multiplying the total shares of the Company's Common Stock on a fully diluted basis by the last reported closing price of the Company's Common Stock on a nationally recognized exchange, NASDAQ, or in the over-the-counter market as reported by the National Quotation Bureau or similar organization.

(vi) For the avoidance of doubt, Executive will not earn and will not be paid any of the Capitalization Milestones described herein unless (in addition to the conditions described above) he remains employed by the Company through the date of payment of the applicable Milestone.

3.4 Stock Options. Subject to approval by the Board and subject to the terms of the Company's Equity Incentive Plan (the *"**Plan**"*), following the Effective Date Executive will be granted an option to purchase three hundred thousand (300,000) shares of the Company's Common Stock (the "***Option***"). On each anniversary of the grant date of the Option, one-third of the shares subject to the Option shall vest, subject to Executive's continued employment with the Company on each such vesting date. The Option will be governed by the Plan and shall be granted pursuant to a separate stock option grant notice and stock option agreement. The exercise price per share of the Option will be equal to the fair market value of a single share of Common Stock on the date of the grant as determined in good faith by the Board.

3.5 Expense Reimbursements. The Company will reimburse Executive for all reasonable business expenses Executive incurs in conducting his duties hereunder, pursuant to the Company's usual expense reimbursement policies, but in no event later than thirty days after the end of the calendar month following the month in which such expenses were incurred by Executive; provided that Executive supplies the appropriate substantiation for such expenses no later than the end of the calendar month following the month in which such expenses were incurred by Executive.

3.6 Changes to Compensation. Executive's compensation will be reviewed periodically and the Base Salary may be increased from time to time in the Company's sole discretion. Executive's Base Salary also may be reduced in connection with any Company-wide decrease in executive compensation.

3.7 Employment Taxes. All of Executive's compensation shall be subject to customary withholding taxes and any other employment taxes as are commonly required to be collected or withheld by the Company.

3.8 Benefits. Provided that Executive is eligible for and timely elects continued coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended (together with any state or local laws of similar effect, "***COBRA***") under the group health plans of his former employer, Covidien, and subject to Executive's continued employment with the Company on each monthly premium payment date, the Company will pay the monthly premium for such COBRA coverage for Executive and his eligible dependents, at the same level of coverage elected as of his separation date from Covidien, either directly to the insurance provider or in the form of a check provided to Executive and made payable to the insurance provider. Notwithstanding the foregoing, once the Company establishes a new group health insurance plan in which Executive is eligible to participate, payment of Executive's COBRA premiums shall immediately cease. Notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that its payment of Executive's COBRA premiums would result in a violation of applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying COBRA premiums directly to the insurance provider or in the form of a check provided to Executive**,** the Company will pay Executive on the last day of each month a fully taxable cash payment equal to the COBRA premium for that month, subject to applicable tax withholding and will pay Executive an amount equal to cover all tax liability associated with such payments, as determined in good faith by the Company, and any such tax gross-up payment shall be made no later than the end of the calendar year next following the calendar year in which the taxes are remitted by the Executive.

3.9 Reimbursement for Life Insurance Premiums. Subject to Executive's continued employment with the Company on each reimbursement date, the Company shall reimburse Executive for the documented annual premium Executive pays for his current term life insurance policy with Northwestern Mutual policy number 17493610, at the same level of coverage in effect as of the Effective Date (*i.e.,* $1,000,000.00). To obtain reimbursement, Executive must complete an expense report with appropriate documentation of each premium payment. The Company will reimburse Executive for each premium payment pursuant to its usual expense reimbursement policies, but in no event later than thirty days after the end of the calendar month following the month in which such premium payment was made, provided that Executive must submit the expense report and appropriate documentation no later than the end of the calendar month following the month in which such premium payment was made. Reimbursement of Executive's life insurance premiums pursuant to this Section 3.9 shall be in the form of fully taxable cash payments, subject to any applicable tax withholding. However, the Company will pay Executive an amount equal to cover all tax liability associated with such reimbursements, as determined in good faith by the Company, and any such tax gross-up payment shall be made no later than the end of the calendar year next following the calendar year in which the taxes are remitted by the Executive.

3.10 Reimbursement for Relocation Expense Repayment. Executive represents that as a result of his separation from employment with Covidien, pursuant to Covidien policy he is obligated to repay Covidien approximately seventy-five thousand dollars ($75,000.00) in relocation expenses that Covidien had previously advanced to him. The Company shall reimburse Executive for the actual documented amount Executive pays to Covidien to discharge this debt. Reimbursement will be made in three equal lump sum cash installments, with one installment to be made within five (5) business days of each of the following dates: April 1, 2011, July 1, 2011, and October 1, 2011. Each installment payment shall be fully taxable and subject to any applicable tax withholding. However, the Company will pay Executive an amount equal to cover all tax liability associated with such reimbursements, as determined in good faith by the Company, and any such tax gross-up payment shall be made no later than the end of the calendar year next following the calendar year in which the taxes are remitted by the Executive. Reimbursement is subject to Executive's continued employment with the Company on each reimbursement date and contingent upon Executive providing an expense report with appropriate documentation of the total amount paid to Covidien in satisfaction of this debt.

3.11 Holidays and Vacation. Executive shall be eligible to accrue up to four (4) weeks of paid vacation per year and will receive paid Company holidays in accordance with Company policy.

4. TERMINATION.

4.1 Termination by the Company. Executive's employment with the Company is at will and may be terminated by the Company at any time and for any reason, or for no reason, including, but not limited to, under the following conditions:

4.1.1 Termination by the Company for Cause. The Company may terminate Executive's employment under this Agreement for "Cause" (as defined below) by delivery of written notice to Executive. Any notice of termination given pursuant to this Section 4.1.1 shall effect termination as of the date of the notice, or as of such other date as specified in the notice.

4.1.2 Termination by the Company without Cause. The Company may terminate Executive's employment under this Agreement without Cause at any time and for any reason, or for no reason. Such termination shall be effective on the date Executive is so informed, or as otherwise specified by the Company.

4.2 Termination by Resignation of Executive. Executive's employment with the Company is at will and may be terminated by Executive at any time and for any reason, or for no reason, including via a resignation for Good Reason in accordance with the procedures set forth in Section 4.6.3 below.

4.3 Termination for Death or Complete Disability. Executive's employment with the Company shall automatically terminate effective upon the date of Executive's death or Complete Disability (as defined below).

4.4 Termination by Mutual Agreement of the Parties. Executive's employment with the Company may be terminated at any time upon a mutual agreement in writing of the Parties. Any such termination of employment shall have the consequences specified in such agreement.

4.5 Compensation Upon Termination.

4.5.1 Death or Complete Disability. If, during the Term of this Agreement, Executive's employment shall be terminated by death or Complete Disability as provided in Section 4.3, the Company shall pay to Executive, his estate, or his heirs, as applicable, any Base Salary owed to Executive, expense reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive (or his estate or heirs, as applicable) furnishing to the Company an executed waiver and release of claims in the form attached hereto as **Exhibit A** (or in such other form as may later be specified by the Company) (the ***"Release"***) within the time period specified therein, and allowing the Release to become effective in accordance with its terms, then Executive, his estate, or his heirs, as applicable, shall also be entitled to: (1) continuation of Executive's salary (at the Base Salary rate in effect at the time of termination) for a period of ninety (90) days following the termination date; and (2) partial accelerated vesting of each of Executive's outstanding stock options such that, on the effective date of the Release (as defined therein), Executive shall receive immediate accelerated vesting of each option with respect to the same number of shares that would have vested if Executive had continued in employment with the Company through the next anniversary of the grant date for such option, in accordance with the vesting schedule applicable to such option, ***provided, however***, that if the termination date falls on an anniversary

of the grant date of any stock option, no accelerated vesting will be provided for such stock option. All stock options that have vested in connection with Executive's termination under this Section 4.5.1 shall remain exercisable for ninety (90) days following such termination. The Base Salary payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.5.2 Termination For Cause or Resignation without Good Reason. If, during the Term of this Agreement, Executive's employment is terminated by the Company for Cause, or Executive resigns his employment hereunder without Good Reason, the Company shall pay Executive any Base Salary owed to Executive, expense reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. The Company shall thereafter have no further obligations to Executive under this Agreement, except as otherwise provided by law.

4.5.3 Termination Without Cause or Resignation For Good Reason Not In Connection with a Change of Control. If the Company terminates Executive's employment without Cause, or if Executive resigns for Good Reason, at any time other than upon the occurrence of, or within the six (6) months following, the effective date of a Change of Control (as defined below), the Company shall pay Executive any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive furnishing to the Company an executed Release within the time period specified therein, and allowing the Release to become effective in accordance with its terms, Executive shall be entitled to: (1) severance in the form of continuation of his salary (at the Base Salary rate in effect at the time of termination) for a period of twelve (12) months following the termination date; and (2) partial accelerated vesting of each of Executive's outstanding stock options such that, on the effective date of the Release, Executive shall receive immediate accelerated vesting of each option with respect to the same number of shares that would have vested if Executive had continued in employment with the Company through the next anniversary of the grant date for such option, in accordance with the vesting schedule applicable to such option, ***provided, however***, that if the termination date falls on an anniversary of the grant date of any stock option, no accelerated vesting will be provided for such stock option. All stock options that have vested in connection with Executive's termination under this Section 4.5.3 shall remain exercisable for ninety (90) days following such termination. These payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.5.4 Termination Without Cause or Resignation For Good Reason In Connection with a Change of Control. If the Company terminates Executive's employment

without Cause, or if Executive resigns for Good Reason, upon the occurrence of, or within the six (6) months following, the effective date of a Change of Control, the Company shall pay Executive any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive furnishing to the Company an executed Release within the time period specified therein, and allowing the Release to become effective in accordance with its terms, then Executive shall be entitled to: (1) severance in the form of continuation of his salary (at the Base Salary rate in effect at the time of termination) for a period of twelve (12) months following the termination date; and (2) immediate accelerated vesting of any unvested shares subject to any outstanding stock option(s), such that, on the effective date of the Release, the Executive shall be vested in one hundred percent (100%) of the shares subject to such option(s). The Base Salary payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.6 Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

4.6.1 Complete Disability. A termination for ***"Complete Disability"*** shall occur: (i) when the Board has provided a written termination notice to Executive supported by a written statement from a reputable independent physician to the effect that Executive is or shall have become so physically or mentally incapacitated as to be unable to resume, within the ensuing six (6) months, his employment under this Agreement by reason of such physical or mental illness or injury; or (ii) upon rendering of a written termination notice by the Board after the Board determines, in its sole and complete discretion, that Executive has been unable to substantially perform his job duties hereunder for sixty (60) or more consecutive days, or more than one hundred and twenty (120) days in any consecutive twelve (12) month period, by reason of any physical or mental illness or injury. For purposes of this Section, at the Company's request Executive agrees to make himself available and to cooperate in a reasonable examination by a reputable independent physician retained by the Company.

4.6.2 Cause. ***"Cause"*** for the Company to terminate Executive's employment hereunder shall mean the occurrence of any of the following events, as determined by the Company and/or the Board in its and/or their sole and absolute discretion:

(i) The willful failure, disregard or refusal by Executive to perform his material duties or obligations under this Agreement which, to the extent it is curable by the Executive, is not cured within thirty (30) days after written notice thereof is given to Executive by the Company;

(ii) Any willful, intentional or grossly negligent act by Executive having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or any of its Affiliates, including but not limited to, any senior officer, director or executive of the Company or any of its Affiliates;

(iii) Willful misconduct by Executive with respect to any of the material duties or obligations of Executive under this Agreement, including, without limitation, willful insubordination with respect to lawful directions received by Executive from the Board which, to the extent it is curable by the Executive, is not cured within thirty (30) days after written notice thereof is given to Executive by the Company;

(iv) Executive's indictment of any felony involving moral turpitude (including entry of a *nolo contendere* plea);

(v) The determination, after a reasonable and good-faith investigation by the Company, that the Executive engaged in some form of harassment or discrimination prohibited by law (including, without limitation, age, sex or race harassment or discrimination), unless the Executive's actions were specifically directed by the Board;

(vi) Executive's material misappropriation or embezzlement of the property of the Company or its Affiliates (whether or not a misdemeanor or felony); or

(vii) Material breach by Executive of any of the provisions of this Agreement, of any Company policy, and/or of his Proprietary Information and Inventions Agreement.

For purposes of this definition, the Parties agree that any breach of Sections 2 or 5 of this Agreement shall be deemed a material breach that is not capable of cure by Executive.

4.6.3 Good Reason. For purposes of this Agreement, and subject to the caveat at the end of this Section, "Good Reason" for Executive to terminate his employment hereunder shall mean the occurrence of any of the following events without Executive's consent:

(i) a material reduction by the Company of Executive's Base Salary as initially set forth herein or as the same may be increased from time to time, provided, however, that if such reduction occurs in connection with a Company-wide decrease in Executive compensation, such reduction shall not constitute Good Reason for Executive to terminate his employment;

(ii) a material breach of this Agreement by the Company; or

(iii) a material adverse change in Executive's duties, authority, or responsibilities relative to Executive's duties, authority, or responsibilities in effect immediately prior to such reduction.

Provided, however, that, any such termination by Executive shall only be deemed for Good Reason pursuant to this definition if: (1) Executive gives the Company written notice of his intent to terminate for Good Reason within thirty (30) days following the first occurrence of the condition(s) that he believes constitute(s) Good Reason, which notice shall describe such condition(s); (2) the Company fails to remedy such condition(s) within thirty (30) days following receipt of the written notice (the "***Cure Period***"); and (3) Executive voluntarily terminates his employment within thirty (30) days following the end of the Cure Period.

4.6.4 Change of Control. For purposes of this Agreement, "Change of Control" shall mean the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events (excluding in any case transactions in which the Company or its successors issues securities to investors primarily for capital raising purposes):

(i) the acquisition by a third party of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction;

(ii) a merger, consolidation or similar transaction following which the stockholders of the Company immediately prior thereto do not own at least fifty percent (50%) of the combined outstanding voting power of the surviving entity (or that entity's parent) in such merger, consolidation or similar transaction;

(iii) the dissolution or liquidation of the Company; or

(iv) the sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

4.7 Survival of Certain Sections. Sections 2, 4, 5, 6, 7, 8, 9, 12, 13, 16, 17 and 19 of this Agreement will survive the termination of this Agreement.

4.8 Parachute Payment. If any payment or benefit the Executive would receive pursuant to this Agreement (***"Payment"***) would (i) constitute a ***"Parachute Payment"*** within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the ***"Code"***), and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the ***"Excise Tax"***), then such Payment shall be reduced to the Reduced Amount. The ***"Reduced Amount"*** shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion of the Payment, which such amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in the Executive's receipt, on an after-tax basis, of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting Parachute Payments is necessary so that the Payment equals the Reduced Amount, reduction shall occur in the following order: (i) reduction of cash payments; (ii) cancellation of accelerated vesting of equity awards other than stock options; (iii) cancellation of accelerated vesting of stock options; and (iv) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, (i), (ii), (iii) or (iv)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A (as defined in Section 4.9 below) and then with respect to amounts that are. In the event that acceleration of compensation from Executive's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

In the event it is subsequently determined by the Internal Revenue Service that some portion of the Reduced Amount (as determined pursuant to clause (x) in the preceding paragraph) is subject to the Excise Tax, Executive agrees to promptly return to the Company a sufficient amount of the Payment so that no portion of the Reduced Amount is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount is determined in accordance with clause (y) in the preceding paragraph, Executive will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

Unless Executive and the Company agree on an alternative accounting, law or consulting firm, the accounting firm then engaged by the Company for general tax compliance purposes shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Company shall appoint a nationally recognized accounting, law or consulting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such accounting, law or consulting firm required to be made hereunder.

The Company shall use commercially reasonable efforts such that the accounting, law or consulting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to Executive and the Company within fifteen (15) calendar days after the date on which Executive's right to a Payment is triggered (if requested at that time by the Executive or the Company) or such other time as requested by the Executive or the Company.

4.9 Application of Internal Revenue Code Section 409A. Notwithstanding anything to the contrary set forth herein, any payments and benefits provided under this Agreement (the "***Severance Benefits***") that constitute "deferred compensation" within the meaning of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively "***Section 409A***") shall not commence in connection with Executive's termination of employment unless and until Executive has also incurred a "separation from service" (as such term is defined in Treasury Regulation Section 1.409A-1(h) ("***Separation From Service***"), unless the Company reasonably determines that such amounts may be provided to Executive without causing Executive to incur the additional 20% tax under Section 409A.

It is intended that each installment of the Severance Benefits payments provided for in this Agreement is a separate "payment" for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i). For the avoidance of doubt, it is intended that payments of the Severance Benefits set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulation Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). However, if the Company (or, if applicable, the successor entity thereto) determines that the Severance Benefits constitute "deferred compensation" under Section 409A and Executive is, on the termination of service, a "specified employee" of the Company or any successor entity thereto, as such term is defined in Section 409A(a)(2)(B)(i) of the Code, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefit payments shall be delayed until the earlier to occur of: (i) the date that is six months and one day after Executive's Separation From Service, or (ii) the date of Executive's death (such applicable date, the "***Specified Employee Initial Payment Date***"), the Company (or the successor entity thereto, as applicable) shall (A) pay to Executive a lump sum amount equal to the sum of the Severance Benefit payments that Executive would otherwise have received through the Specified Employee Initial Payment Date if the commencement of the payment of the Severance Benefits had not been so delayed pursuant to this Section and (B) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedules set forth in this Agreement.

Notwithstanding anything to the contrary set forth herein, Executive shall receive the Severance Benefits described above, if and only if Executive duly executes and returns to the Company within the applicable time period set forth therein, but in no event more than forty-five days following Separation From Service, a separation agreement containing the Company's standard form of release of claims in favor of the Company (attached to this Agreement as Exhibit A) and other standard provisions, including without limitation, those relating to non-disparagement and confidentiality (the "***Separation Agreement***"), and permits the release of claims contained therein to become effective in accordance with its terms. Notwithstanding any other payment schedule set forth in this Agreement, none of the Severance Benefits will be paid or otherwise delivered prior to the effective date of the Separation Agreement. Except to the extent that payments may be delayed until the Specified Employee Initial Payment Date pursuant to the preceding paragraph, on the first regular payroll pay day following the effective date of the Separation Agreement, the Company will pay Executive the Severance Benefits Executive would otherwise have received under the Agreement on or prior to such date but for the delay in payment related to the effectiveness of the Separation Agreement, with the balance of the Severance Benefits being paid as originally scheduled. All amounts payable under the Agreement will be subject to standard payroll taxes and deductions.

5. CONFIDENTIAL AND PROPRIETARY INFORMATION.

As a condition of employment Executive agrees to execute and abide by the Company's Proprietary Information and Inventions Agreement (***"PIIA"***).

6. ASSIGNMENT AND BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of Executive and Executive's heirs, executors, personal representatives, assigns, administrators and legal representatives. Because of the unique and personal nature of Executive's duties under this Agreement, neither this Agreement nor any rights or obligations under this Agreement shall be assignable by Executive. This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns and legal representatives. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any tie, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company.

7. NOTICES.

All notices or demands of any kind required or permitted to be given by the Company or Executive under this Agreement shall be given in writing and shall be personally delivered (and receipted for) or faxed during normal business hours or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Coronado Biosciences, Inc.
45 Rockefeller Plaza
Suite 2000
New York, NY 10111

If to Executive:

Bobby W. Sandage, Jr., PhD
12559 Conway Road
Creve Coeur, MO 63141

Any such written notice shall be deemed given on the earlier of the date on which such notice is personally delivered or three (3) days after its deposit in the United States mail as specified above. Either Party may change its address for notices by giving notice to the other Party in the manner specified in this Section.

8. CHOICE OF LAW.

This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to its conflict of laws principles.

9. INTEGRATION.

This Agreement, including Exhibit A and the PIIA, contains the complete, final and exclusive agreement of the Parties relating to the terms and conditions of Executive's employment and the termination of Executive's employment, and supersedes all prior and contemporaneous oral and written employment agreements or arrangements between the Parties.

10. AMENDMENT.

This Agreement cannot be amended or modified except by a written agreement signed by Executive and the Company.

11. WAIVER.

No term, covenant or condition of this Agreement or any breach thereof shall be deemed waived, except with the written consent of the Party against whom the wavier is claimed, and any waiver or any such term, covenant, condition or breach shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant, condition or breach.

12. SEVERABILITY.

The finding by a court of competent jurisdiction of the unenforceability, invalidity or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid or illegal. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which most accurately represents the Parties' intention with respect to the invalid or unenforceable term, or provision.

13. INTERPRETATION; CONSTRUCTION.

The headings set forth in this Agreement are for convenience of reference only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but the Executive has been encouraged to consult with, and has consulted with, Executive's own independent counsel and tax advisors with respect to the terms of this Agreement. The Parties acknowledge that each Party and its counsel has reviewed and revised, or had an opportunity to review and revise, this Agreement, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

14. REPRESENTATIONS AND WARRANTIES.

Executive represents and warrants that Executive is not restricted or prohibited, contractually or otherwise, from entering into and performing each of the terms and covenants contained in this Agreement, and that Executive's execution and performance of this Agreement will not violate or breach any other agreements between the Executive and any other person or entity.

15. COUNTERPARTS.

This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall contribute one and the same instrument.

16. ARBITRATION.

To ensure the rapid and economical resolution of disputes that may arise in connection with the Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, arising from or relating to Executive's employment, or the termination of that employment, will be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration pursuant to the Federal Arbitration Act in New York, New York conducted by the Judicial Arbitration and Mediation Services/Endispute, Inc. (***"JAMS"***), or its successors, under the then current rules of JAMS for employment disputes; provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the arbitrator's essential findings and conclusions and a statement of the award. Accordingly, Executive and the Company hereby waive any right to a jury trial. Both Executive and the Company shall be entitled to all rights and remedies that either Executive or the Company would be entitled to pursue in a court of law. The Company shall pay any JAMS filing fee and shall pay the arbitrator's fee. The arbitrator shall have the discretion to award attorneys fees to the

party the arbitrator determines is the prevailing party in the arbitration. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute involving confidential, proprietary or trade secret information, or intellectual property rights, by Court action instead of arbitration.

17. INDEMNIFICATION.

The Company shall defend and indemnify Executive in his capacity as President and Chief Executive Officer of the Company to the fullest extent permitted under the Delaware General Corporate Law (the "***DGCL***"). The Company shall also maintain a policy for indemnifying its officers and directors, including but not limited to the Executive, for all actions permitted under the DGCL taken in good faith pursuit of their duties for the Company, including but not limited to maintaining an appropriate level of Directors and Officers Liability coverage and maintaining the inclusion of such provisions in the Company's by-laws or certificate of incorporation, as applicable and customary. The rights to indemnification shall survive any termination of this Agreement.

18. TRADE SECRETS OF OTHERS.

It is the understanding of both the Company and Executive that Executive shall not divulge to the Company and/or its subsidiaries any confidential information or trade secrets belonging to others, including Executive's former employers, nor shall the Company and/or its Affiliates seek to elicit from Executive any such information. Consistent with the foregoing, Executive shall not provide to the Company and/or its Affiliates, and the Company and/or its Affiliates shall not request, any documents or copies of documents containing such information.

19. ADVERTISING WAIVER.

Executive agrees to permit the Company, and persons or other organizations authorized by the Company, to use, publish and distribute advertising or sales promotional literature concerning the products and/or services of the Company, or the machinery and equipment used in the provision thereof, in which Executive's name and/or pictures of Executive taken in the course of Executive's provision of services to the Company appear. Executive hereby waives and releases any claim or right Executive may otherwise have arising out of such use, publication or distribution.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

CORONADO BIOSCIENCES, INC.

By: Glenn L. Cooper
Its: Chairman

Dated: March 7, 2011

EXECUTIVE:

/s/ Bobby W. Sandage Jr.
BOBBY W. SANDAGE, JR., PHD

Dated: March 8, 2011

EXHIBIT A

RELEASE AND WAIVER OF CLAIMS

TO BE SIGNED ON OR FOLLOWING THE SEPARATION DATE ONLY

In consideration of the payments and other benefits set forth in the Employment Agreement of March 21, 2011, to which this form is attached, I, Bobby W. Sandage, Jr., PhD, hereby furnish **CORONADO BIOSCIENCES, INC.** (the ***"Company"***), with the following release and waiver (***"Release and Waiver"***).

In exchange for the consideration provided to me by the Employment Agreement that I am not otherwise entitled to receive, I hereby generally and completely release the Company and its current and former directors, officers, employees, stockholders, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, affiliates, and assigns (collectively, the "***Released Parties***") from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date that I sign this Agreement (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to my employment with the Company, or the termination of that employment; (b) all claims related to my compensation or benefits from the Company including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, misclassification, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) (the "***ADEA***"), the Missouri Human Rights Act, the New York Human Rights Act, the New York Law on Equal Rights, and the New York Law on Equal Pay. Notwithstanding the foregoing, the following are not included in the Released Claims (the "***Excluded Claims***"): (a) any rights or claims for indemnification I may have pursuant to any written indemnification agreement with the Company to which I am a party, the charter, bylaws, or operating agreements of the Company, or under applicable law; (b) any rights or claims to unemployment compensation, funds accrued in my 401k account, or any vested equity incentives; (c) any rights that are not waivable as a matter of law; or (d) any claims arising from the breach of this Agreement. I hereby represent and warrant that, other than the Excluded Claims, I am not aware of any claims I have or might have against any of the Released Parties that are not included in the Released Claims.

I expressly waive and relinquish any and all rights and benefits under any applicable law or statute providing, in substance, that a general release does not extend to claims which a party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her would have materially affected the terms of such release.

I acknowledge that, among other rights, I am waiving and releasing any rights I may have under ADEA, that this Release and Waiver is knowing and voluntary, and that the consideration given for this Release and Waiver is in addition to anything of value to which I was already entitled as an executive of the Company. If I am 40 years of age or older upon execution of this Release and Waiver, I further acknowledge that I have been advised, as required by the Older Workers Benefit Protection Act, that: (a) the release and waiver granted herein does not relate to claims under the ADEA which may arise after this Release and Waiver is executed; (b) I should consult with an attorney prior to executing this Release and Waiver; and (c) I have twenty-one (21) days from the date of termination of my employment with the Company in which to consider this Release and Waiver (although I may choose voluntarily to execute this Release and Waiver earlier); (d) I have seven (7) days following the execution of this Release and Waiver to revoke my consent to this Release and Waiver; and (e) this Release and Waiver shall not be effective until the seven (7) day revocation period has expired without my having previously revoked this Release and Waiver.

I acknowledge my continuing obligations under my Proprietary Information and Inventions Agreement. Pursuant to the Proprietary Information and Inventions Agreement I understand that among other things, I must not use or disclose any confidential or proprietary information of the Company and I must immediately return all Company property and documents (including all embodiments of proprietary information) and all copies thereof in my possession or control. I understand and agree that my right to the severance pay I am receiving in exchange for my agreement to the terms of this Release and Waiver is contingent upon my continued compliance with my Proprietary Information and Inventions Agreement.

This Release and Waiver constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company that is not expressly stated herein. This Release and Waiver may only be modified by a writing signed by both me and a duly authorized officer of the Company.

Date: _____

By: _____
Bobby W. Sandage, Jr., PhD

Exhibit 10.20

CORONADO BIOSCIENCES, INC.
EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (this ***"Agreement"***) is made and entered into effective as of April 1, 2011 (the "***Effective Date***") by and among **CORONADO BIOSCIENCES, INC.** (the ***"Company"***) and Glenn L. Cooper, M.D. (the ***"Executive"***). The Company and Executive are hereinafter collectively referred to as the ***"Parties"***, and individually referred to as a ***"Party"***. This Agreement supersedes any and all prior and contemporaneous oral or written agreements or arrangements between Executive and the Company, including the Executive's Consulting Agreement with the Company effective July 15, 2010, which hereafter shall have no further force or effect.

RECITALS

A. The Executive currently serves as the Executive Chairman of the Company's Board of Directors (the "***Board***") in the capacity of a consultant. The Company desires to convert Executive to an employee of the Company, and is willing to engage Executive's services on the terms and conditions set forth in this Agreement.

B. Executive desires to be in the employ of the Company, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing Recitals and the mutual promises and covenants herein contained, and for other good and valuable consideration, the Parties, intending to be legally bound, agree as follows:

1. EMPLOYMENT.

1.1 Title. Executive shall hold the position of Executive Chairman of the Board, subject to the terms and conditions set forth in this Agreement.

1.2 Term. The term of this Agreement shall begin on the Effective Date and shall continue until it is terminated pursuant to Section 4 herein (the ***"Term"***).

1.3 Duties. Executive shall do and perform all services, acts or things necessary or advisable to manage and conduct the business of the Company and that are normally associated with the position of Executive Chairman of the Board.

1.4 Policies and Practices. The employment relationship between the Parties shall be governed by this Agreement and by the policies and practices established by the Company and/or the Board, or any designated committee thereof. In the event that the terms of this Agreement differ from or are in conflict with the Company's policies or practices or the Company's Employee Handbook, this Agreement shall control.

1.5 Background/Reference Check. The Company reserves the right to conduct background investigations and/or reference checks on all of its potential employees. Your job offer, therefore, is contingent upon a clearance of such a background investigation and/or reference check, if any. If a background check will be conducted, you will be provided with and must sign a separate background check authorization form.

1.6 Location. Unless the Parties otherwise agree in writing, during the Term Executive shall perform the services Executive is required to perform pursuant to this Agreement from his home in Gilford, New Hampshire, ***provided, however*****,** that from time to time the Executive may be required to travel temporarily to other locations in connection with the Company's business.

2. LOYALTY; NONCOMPETITION; NONSOLICITATION.

2.1 Loyalty. During Executive's employment by the Company, Executive shall devote the necessary amount of Executive's business energies, interests, abilities and productive time to achieve the proper and efficient performance of Executive's duties under this Agreement. The Parties acknowledge and agree that Executive's service on the boards of directors of Repligen Corporation and Gentium SpA. shall not constitute a breach of this Agreement, provided that such service does not interfere with Executive's work for the Company as specified herein.

2.2 Agreement not to Participate in Company's Competitors . During the Term, Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Executive to be adverse or antagonistic to the Company, its business, or prospects, financial or otherwise, or in any company, person, or entity that is, directly or indirectly, in competition with the business of the Company or any of its Affiliates (as defined below). Ownership by Executive, in professionally managed funds over which the Executive does not have control or discretion in investment decisions, or as a passive investment, of less than two percent (2%) of the outstanding shares of capital stock of any corporation with one or more classes of its capital stock listed on a national securities exchange or publicly traded on a national securities exchange or in the over-the-counter market shall not constitute a breach of this Section. For purposes of this Agreement, ***"Affiliate,"*** means, with respect to any specific entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified entity.

2.3 Covenant not to Compete. During the Term and for a period of six (6) months thereafter (the "***Restricted Period***"), Executive shall not engage in competition with the Company and/or any of its Affiliates, either directly or indirectly, in any manner or capacity, as adviser, principal, agent, affiliate, promoter, partner, officer, director, employee, stockholder, owner, co-owner, consultant, or member of any association or otherwise, in any phase of the business of developing, manufacturing and marketing of products or services that are in the same field of use and which materially compete with the products or services of the Company, except with the prior written consent of the Board.

2.4 Nonsolicitation. During the Restricted Period, Executive shall not: (i) solicit or induce, or attempt to solicit or induce, any employee of the Company or its Affiliates to leave the employ of the Company or such Affiliate; or (ii) solicit or attempt to solicit the business of any client or customer of the Company or its Affiliates with respect to products, services, or investments similar to those provided or supplied by the Company or its Affiliates.

2.5 Acknowledgements. Executive acknowledges and agrees that his services to the Company pursuant to this Agreement are unique and extraordinary and that in the course of performing such services Executive shall have access to and knowledge of significant confidential, proprietary, and trade secret information belonging to the Company. Executive agrees that the covenant not to compete and the nonsolicitation obligations imposed by this Section 2 are reasonable in duration, geographic area, and scope and are necessary to protect the Company's legitimate business interests in its goodwill, its confidential, proprietary, and trade secret information, and its investment in the unique and extraordinary services to be provided by Executive pursuant to this Agreement. If, at the time of enforcement of this Section 2, a court holds that the covenant not to compete and/or the nonsolicitation obligations described herein are unreasonable or unenforceable under the circumstances then existing, then the Parties agree that the maximum duration, scope, and/or geographic area legally permissible under such circumstances will be substituted for the duration, scope and/or area stated herein.

3. COMPENSATION OF THE EXECUTIVE.

3.1 Base Salary. The Company shall pay Executive a base salary at the annualized rate of Three Hundred Thousand Dollars ($300,000.00) (the ***"Base Salary"***), less payroll deductions and all required withholdings, payable in regular periodic payments in accordance with the Company's normal payroll practices. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day fiscal year.

3.2 Expense Reimbursements. The Company will reimburse Executive for all reasonable business expenses Executive incurs in conducting his duties hereunder, pursuant to the Company's usual expense reimbursement policies, but in no event later than thirty days after the end of the calendar month following the month in which such expenses were incurred by Executive; provided that Executive supplies the appropriate substantiation for such expenses no later than the end of the calendar month following the month in which such expenses were incurred by Executive.

3.3 Changes to Compensation. Executive's compensation will be reviewed periodically and the Base Salary may be increased from time to time in the Company's sole discretion. Executive's Base Salary also may be reduced in connection with any Company-wide decrease in executive compensation.

3.4 Employment Taxes. All of Executive's compensation shall be subject to customary withholding taxes and any other employment taxes as are commonly required to be collected or withheld by the Company.

3.5 Standard Company Benefits. Executive shall, in accordance with Company policy and the terms of the applicable plan documents, be eligible to participate in benefits under any benefit plan or arrangement that may be in effect from time to time and made available to the Company's employees.

3.6 Holidays and Vacation. Executive agrees that he shall not be eligible to accrue paid vacation or to receive paid holidays.

3.7 Benefits. In addition, if you accept this offer, and subject to your continued employment with the Company on each monthly premium payment date, the Company will reimburse you for the monthly COBRA premiums you pay to continue health coverage under your former employer's health plan for you and your eligible dependents, at the same level of coverage elected as of your separation date from your former employer, based upon your submission of actual bills and proof of payment to your former employer. Reimbursement for your COBRA premiums shall immediately cease upon the earlier of: (a) the date the Company establishes a new group health insurance plan in which you are eligible to participate; or (b) the date your continuation coverage through COBRA ends. If your continuation coverage through COBRA ends prior to the date the Company establishes a new health insurance plan in which you are eligible to participate, and subject to your continued employment with the Company on each monthly payment date, the Company will reimburse you for the reasonable, documented monthly amounts you pay to procure alternative health coverage, up to a maximum of two thousand dollars ($2,000.00) per month, based upon your submission of actual bills and proof of payment for such coverage. Reimbursement for such health care costs shall immediately cease on the date the Company establishes a new group health insurance plan in which you are eligible to participate. All reimbursements made pursuant to this paragraph shall be in the form of fully taxable cash payments, subject to any applicable tax withholding.

4. TERMINATION.

Executive's employment with the Company is, and shall all times remain, at will. This means that either the Company or the Executive may terminate the employment relationship at any time and for any reason, or for no reason, with or without cause or prior notice. Upon the termination of the employment relationship for any reason, the Company shall pay Executive any Base Salary owed to Executive, any expense reimbursement amounts owed to Executive, and any accrued and unused vacation benefits earned through the date of termination (up to any accrual cap established by the Company's vacation policy), at the rates in effect at the time of termination, less standard deductions and withholdings. The Company shall thereafter have no further obligation to Executive, except as otherwise provided by law.

5. SURVIVAL OF CERTAIN SECTIONS.

Sections 2, 4, 5, 6, 7, 9 through 14, 16, 17 and 19 of this Agreement will survive the termination of this Agreement.

6. CONFIDENTIAL AND PROPRIETARY INFORMATION.

As a condition of employment Executive agrees to execute and abide by the Company's Proprietary Information and Inventions Agreement (***"PIIA"***).

7. ASSIGNMENT AND BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of Executive and Executive's heirs, executors, personal representatives, assigns, administrators and legal representatives. Because of the unique and personal nature of Executive's duties under this Agreement, neither this Agreement nor any rights or obligations under this Agreement shall be assignable by Executive. This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns and legal representatives. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any tie, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company.

8. NOTICES.

All notices or demands of any kind required or permitted to be given by the Company or Executive under this Agreement shall be given in writing and shall be personally delivered (and receipted for) or faxed during normal business hours or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Coronado Biosciences, Inc.
45 Rockefeller Plaza
Suite 2000
New York, NY 10111

If to Executive:

Glenn L. Cooper, M.D.
46 Terrace Hill Road
Gilford, NH 03249

Any such written notice shall be deemed given on the earlier of the date on which such notice is personally delivered or three (3) days after its deposit in the United States mail as specified above. Either Party may change its address for notices by giving notice to the other Party in the manner specified in this Section.

9. CHOICE OF LAW.

This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to its conflict of laws principles.

10. INTEGRATION.

This Agreement, including the PIIA, contains the complete, final and exclusive agreement of the Parties relating to the terms and conditions of Executive's employment and the termination of Executive's employment, and supersedes all prior and contemporaneous oral and written employment agreements or arrangements between the Parties.

11. AMENDMENT.

This Agreement cannot be amended or modified except by a written agreement signed by Executive and the Company.

12. WAIVER.

No term, covenant or condition of this Agreement or any breach thereof shall be deemed waived, except with the written consent of the Party against whom the wavier is claimed, and any waiver or any such term, covenant, condition or breach shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant, condition or breach.

13. SEVERABILITY.

The finding by a court of competent jurisdiction of the unenforceability, invalidity or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid or illegal. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which most accurately represents the Parties' intention with respect to the invalid or unenforceable term, or provision.

14. INTERPRETATION; CONSTRUCTION.

The headings set forth in this Agreement are for convenience of reference only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but the Executive has been encouraged to consult with, and has consulted with, Executive's own independent counsel and tax advisors with respect to the terms of this Agreement. The Parties acknowledge that each Party and its counsel has reviewed and revised, or had an opportunity to review and revise, this Agreement, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

15. REPRESENTATIONS AND WARRANTIES.

Executive represents and warrants that Executive is not restricted or prohibited, contractually or otherwise, from entering into and performing each of the terms and covenants contained in this Agreement, and that Executive's execution and performance of this Agreement will not violate or breach any other agreements between the Executive and any other person or entity.

16. COUNTERPARTS.

This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall contribute one and the same instrument.

17. INDEMNIFICATION.

The Company shall defend and indemnify Executive in his capacity as Executive Chairman of the Company to the fullest extent permitted under the Delaware General Corporate Law (the "***DGCL***"). The Company shall also maintain a policy for indemnifying its officers and directors, including but not limited to the Executive, for all actions permitted under the DGCL taken in good faith pursuit of their duties for the Company, including but not limited to maintaining an appropriate level of Directors and Officers Liability coverage and maintaining the inclusion of such provisions in the Company's by-laws or certificate of incorporation, as applicable and customary. The rights to indemnification shall survive any termination of this Agreement.

18. TRADE SECRETS OF OTHERS.

It is the understanding of both the Company and Executive that Executive shall not divulge to the Company and/or its subsidiaries any confidential information or trade secrets belonging to others, including Executive's former employers, nor shall the Company and/or its Affiliates seek to elicit from Executive any such information. Consistent with the foregoing, Executive shall not provide to the Company and/or its Affiliates, and the Company and/or its Affiliates shall not request, any documents or copies of documents containing such information.

19. ADVERTISING WAIVER.

Executive agrees to permit the Company, and persons or other organizations authorized by the Company, to use, publish and distribute advertising or sales promotional literature concerning the products and/or services of the Company, or the machinery and equipment used in the provision thereof, in which Executive's name and/or pictures of Executive taken in the course of Executive's provision of services to the Company appear. Executive hereby waives and releases any claim or right Executive may otherwise have arising out of such use, publication or distribution.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

Executive agrees to permit the Company, and persons or other organizations authorized by the Company, to use, publish and distribute advertising or sales promotional literature concerning the products and/or services of the Company, or the machinery and equipment used in the provision thereof, in which Executive's name and/or pictures of Executive taken in the course of Executive's provision of services to the Company appear. Executive hereby waives and releases any claim of right Executive may otherwise have arising out of such use, publication or distribution.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

CORONADO BIOSCIENCES, INC.

By: /s/ Bobby W. Sandage
Its: President and Chief Executive Officer

Dated: April 23, 2011

EXECUTIVE:

/s/ Glenn L. Cooper
GLENN L. COOPER, M.D.

Dated: March 25, 2011

Exhibit 10.21

Execution Copy

CORONADO BIOSCIENCES, INC.
EMPLOYMENT AGREEMENT

This **EMPLOYMENT AGREEMENT** (this **"*Agreement*"**) is made and entered into effective as of May 16, 2011 (the **"*Effective Date*"**) by and between **CORONADO BIOSCIENCES, INC.** (the **"*Company*"**) and Dale Ritter (the **"*Executive*"**). The Company and Executive are hereinafter collectively referred to as the **"*Parties*"**, and individually referred to as a **"*Party*"**.

RECITALS

A. The Company desires assurance of the association and services of Executive in order to retain Executive's experience, skills, abilities, background and knowledge, and is willing to engage Executive's services on the terms and conditions set forth in this Agreement.

B. Executive desires to be in the employ of the Company, and is willing to accept such employment on the terms and conditions set forth in this Agreement.

AGREEMENT

In consideration of the foregoing Recitals and the mutual promises and covenants herein contained, and for other good and valuable consideration, the Parties, intending to be legally bound, agree as follows:

1. EMPLOYMENT.

1.1 Title. Effective as of the Effective Date, Executive's position shall be Senior Vice President, Finance, Principal Financial and Accounting Officer and Acting Chief Financial Officer, subject to the terms and conditions set forth in this Agreement.

1.2 Term. The term of this Agreement shall begin on the Effective Date and shall continue until it is terminated pursuant to Section 4 herein (the **"*Term*"**).

1.3 Duties. Executive shall do and perform all services, acts or things necessary or advisable to manage and conduct the business of the Company and that are normally associated with the position of Senior Vice President Finance, Principal Accounting Officer and Acting Chief Financial Officer. Executive shall report to the Company's President and Chief Executive Officer. Executive acknowledges that the Company may at any time hire a Chief Financial Officer and upon such hiring, the Executive will report to that individual as Senior Vice President Finance and Principal Accounting Officer.

1.4 Policies and Practices. The employment relationship between the Parties shall be governed by this Agreement and by the policies and practices established by the Company and/or the Board, or any designated committee thereof. In the event that the terms of this Agreement differ from or are in conflict with the Company's policies or practices or the Company's Employee Handbook, this Agreement shall control.

1.5 Location. Unless the Parties otherwise agree in writing, during the Term Executive shall perform the services Executive is required to perform pursuant to this Agreement from his home office in Middleton, MA, until which time the Company secures office space within Massachusetts, provided however, that the Company may from time to time require Executive to travel temporarily to other locations in connection with the Company's business.

2. LOYALTY; NONCOMPETITION; NONSOLICITATION.

2.1 Loyalty. During Executive's employment by the Company, Executive shall devote Executive's full business energies, interest, abilities and productive time to the proper and efficient performance of Executive's duties under this Agreement.

2.2 Agreement not to Participate in Company's Competitors. During the Term, Executive agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Executive to be adverse or antagonistic to the Company, its business, or prospects, financial or otherwise, or in any company, person, or entity that is, directly or indirectly, in competition with the business of the Company or any of its Affiliates (as defined below). Ownership by Executive, in professionally managed funds over which the Executive does not have control or discretion in investment decisions, or as a passive investment, of less than two percent (2%) of the outstanding shares of capital stock of any corporation with one or more classes of its capital stock listed on a national securities exchange or publicly traded on a national securities exchange or in the over-the-counter market shall not constitute a breach of this Section. For purposes of this Agreement, **"*Affiliate,*"** means, with respect to any specific entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified entity.

2.3 Covenant not to Compete. During the Term and for a period of six (6) months thereafter (the **"*Restricted Period*"**), Executive shall not engage in competition with the Company and/or any of its Affiliates, either directly or indirectly, in any manner or capacity, as adviser, principal, agent, affiliate, promoter, partner, officer, director, employee, stockholder, owner, co-owner, consultant, or member of any association or otherwise, in any phase of the business of developing, manufacturing and marketing of products or services that are in the same field of use and which materially compete with the products or services of the Company, except with the prior written consent of the Board.

2.4 Nonsolicitation. During the Restricted Period, Executive shall not: (i) solicit or induce, or attempt to solicit or induce, any employee of the Company or its Affiliates to leave the employ of the Company or such Affiliate; or (ii) solicit or attempt to solicit the business of any client or customer of the Company or its Affiliates with respect to products, services, or investments similar to those provided or supplied by the Company or its Affiliates.

2.5 Acknowledgements. Executive acknowledges and agrees that his services to the Company pursuant to this Agreement are unique and extraordinary and that in the course of performing such services Executive shall have access to and knowledge of significant

confidential, proprietary, and trade secret information belonging to the Company. Executive agrees that the covenant not to compete and the nonsolicitation obligations imposed by this Section 2 are reasonable in duration, geographic area, and scope and are necessary to protect the Company's legitimate business interests in its goodwill, its confidential, proprietary, and trade secret information, and its investment in the unique and extraordinary services to be provided by Executive pursuant to this Agreement. If, at the time of enforcement of this Section 2, a court holds that the covenant not to compete and/or the nonsolicitation obligations described herein are unreasonable or unenforceable under the circumstances then existing, then the Parties agree that the maximum duration, scope, and/or geographic area legally permissible under such circumstances will be substituted for the duration, scope and/or area stated herein.

3. COMPENSATION OF THE EXECUTIVE.

3.1 Base Salary. The Company shall pay Executive a base salary at the annualized rate of Two Hundred and Fifty Thousand Dollars ($250,000.00) (the **"*Base Salary*"**), less payroll deductions and all required withholdings, payable in regular periodic payments in accordance with the Company's normal payroll practices. The Base Salary shall be prorated for any partial year of employment on the basis of a 365-day fiscal year.

3.2 Annual Milestone Bonus. At the sole discretion of the Board or a compensation committee of the Board (the **"*Compensation Committee*"**), following each calendar year of employment Executive shall be eligible to receive an additional cash bonus of up to forty percent (40%) of the Base Salary (the **"*Annual Milestone Bonus*"**), based on Executive's attainment of certain financial, clinical development, and/or business milestones (the **"*Milestones*"**) to be established annually by the Board or the Compensation Committee. The Milestones for 2011 shall be established as soon as practicable following the Effective Date. The determination of whether Executive has met the Milestones, and if so, the bonus amount (if any) that will be paid, shall be determined by the Board or the Compensation Committee in its sole and absolute discretion. Executive must remain employed by the Company through and including the last day of the calendar year in order to be eligible to earn or receive any Annual Milestone Bonus for that year. For the avoidance of doubt, the parties agree that Executive will be eligible for a *pro rata* bonus for 2011, provided that he remains employed by the Company through and including December 31, 2011. For all other years, no *pro rata* bonus will be available (*i.e.*, in those years, if Executive's employment terminates for any reason prior to or on the last day of the calendar year, he will not be eligible for any bonus for that year). Any Annual Milestone Bonuses shall be paid in cash as either single lump-sum payments or in installments, as determined by the Board or the Compensation Committee.

3.3 Stock Options. Subject to approval by the Board and subject to the terms of the Company's 2007 Stock Incentive Plan (the "***Plan***"), as of the Effective Date Executive will be granted an option to purchase one hundred and twenty thousand (120,000) shares of the Company's Common Stock (the "***Option***"). On each anniversary of the grant date of the Option, one-third of the shares subject to the Option shall vest, subject to Executive's continued employment with the Company on each such vesting date. The Option will be governed by the Plan and shall be granted pursuant to a separate stock option grant notice and stock option award agreement. The exercise price per share of the Option will be equal to the fair market value of a single share of Common Stock as of the Effective Date of the grant as determined in good faith by the Board.

3.4 Expense Reimbursements. The Company will reimburse Executive for all reasonable business expenses Executive incurs in conducting his duties hereunder, pursuant to the Company's usual expense reimbursement policies, but in no event later than thirty days after the end of the calendar month following the month in which such expenses were incurred by Executive; provided that Executive supplies the appropriate substantiation for such expenses no later than the end of the calendar month following the month in which such expenses were incurred by Executive.

3.5 Changes to Compensation. Executive's compensation will be reviewed periodically and the Base Salary may be increased from time to time in the Company's sole discretion. Executive's Base Salary also may be reduced in connection with any Company-wide decrease in executive compensation.

3.6 Employment Taxes. All of Executive's compensation shall be subject to customary withholding taxes and any other employment taxes as are commonly required to be collected or withheld by the Company.

3.7 Benefits. The Executive shall, in accordance with Company policy and the applicable plan documents, be eligible to participate in benefits under any benefit plan or arrangement that may be in effect from time to time and made available to the Company's senior management employees.

3.8 Holidays and Vacation. Executive shall be eligible to accrue up to four (4) weeks of paid vacation per year and will receive paid Company holidays in accordance with Company policy.

3.9 Reimbursement for Life Insurance Premiums. Subject to Executive's continued employment with the Company on each reimbursement date, the Company shall reimburse Executive for the documented annual premium Executive pays for current term life insurance policy as of the Effective Date (*i.e., not more than* $1,000,000.00). To obtain reimbursement, Executive must complete an expense report with appropriate documentation of each premium payment. The Company will reimburse Executive for each premium payment pursuant to its usual expense reimbursement policies, but in no event later than thirty days after the end of the calendar month following the month in which such premium payment was made, provided that Executive must submit the expense report and appropriate documentation no later than the end of the calendar month following the month in which such premium payment was made. Reimbursement of Executive's life insurance premiums pursuant to this Section 3.9 shall be in the form of fully taxable cash payments, subject to any applicable tax withholding.

4. TERMINATION.

4.1 Termination by the Company. Executive's employment with the Company is at will and may be terminated by the Company at any time and for any reason, or for no reason, including, but not limited to, under the following conditions:

4.1.1 Termination by the Company for Cause. The Company may terminate Executive's employment under this Agreement for "Cause" (as defined below) by delivery of written notice to Executive. Any notice of termination given pursuant to this Section 4.1.1 shall effect termination as of the date of the notice, or as of such other date as specified in the notice.

4.1.2 Termination by the Company without Cause. The Company may terminate Executive's employment under this Agreement without Cause at any time and for any reason, or for no reason. Such termination shall be effective on the date Executive is so informed, or as otherwise specified by the Company.

4.2 Termination by Resignation of Executive. Executive's employment with the Company is at will and may be terminated by Executive at any time and for any reason, or for no reason, including via a resignation for Good Reason in accordance with the procedures set forth in Section 4.6.3 below.

4.3 Termination for Death or Complete Disability. Executive's employment with the Company shall automatically terminate effective upon the date of Executive's death or Complete Disability (as defined below).

4.4 Termination by Mutual Agreement of the Parties. Executive's employment with the Company may be terminated at any time upon a mutual agreement in writing of the Parties. Any such termination of employment shall have the consequences specified in such agreement.

4.5 Compensation Upon Termination.

4.5.1 Death or Complete Disability. If, during the Term of this Agreement, Executive's employment shall be terminated by death or Complete Disability as provided in Section 4.3, the Company shall pay to Executive, his estate, or his heirs, as applicable, any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive (or his estate or heirs, as applicable) furnishing to the Company an executed waiver and release of claims in the form attached hereto as **Exhibit A** (or in such other form as may later be specified by the Company) (the "***Release***") within the time period specified therein, and allowing the Release to become effective in accordance with its terms, then Executive, his estate, or his heirs, as applicable, shall also be entitled to: (1) continuation of Executive's salary (at the Base Salary rate in effect at the time of termination) for a period of ninety (90) days following the termination date; and (2) partial accelerated vesting of each of Executive's outstanding stock options such that, on the effective date of the Release (as defined therein), Executive shall receive immediate accelerated vesting of each option with respect to the same number of shares that would have vested if Executive had continued in employment with the Company through the next anniversary of the grant date for such option, in accordance with the vesting schedule applicable to such option, ***provided, however***, that if the termination date falls on an anniversary

of the grant date of any stock option, no accelerated vesting will be provided for such stock option. All stock options that have vested in connection with Executive's termination under this Section 4.5.1 shall remain exercisable for ninety (90) days following such termination. The Base Salary payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.5.2 Termination For Cause or Resignation without Good Reason. If, during the Term of this Agreement, Executive's employment is terminated by the Company for Cause, or Executive resigns his employment hereunder without Good Reason, the Company shall pay Executive any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. The Company shall thereafter have no further obligations to Executive under this Agreement, except as otherwise provided by law.

4.5.3 Termination Without Cause or Resignation For Good Reason Not In Connection with a Change of Control. If the Company terminates Executive's employment without Cause, or if Executive resigns for Good Reason, at any time other than upon the occurrence of, or within the six (6) months following, the effective date of a Change of Control (as defined below), the Company shall pay Executive any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive furnishing to the Company an executed Release within the time period specified therein, and allowing the Release to become effective in accordance with its terms, Executive shall be entitled to: (1) severance in the form of continuation of his salary (at the Base Salary rate in effect at the time of termination) for a period of six (6) months following the termination date; and (2) partial accelerated vesting of each of Executive's outstanding stock options such that, on the effective date of the Release, Executive shall receive immediate accelerated vesting of each option with respect to the same number of shares that would have vested if Executive had continued in employment with the Company through the next anniversary of the grant date for such option, in accordance with the vesting schedule applicable to such option, ***provided, however***, that if the termination date falls on an anniversary of the grant date of any stock option, no accelerated vesting will be provided for such stock option. All stock options that have vested in connection with Executive's termination under this Section 4.5.3 shall remain exercisable for ninety (90) days following such termination. These payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, ***provided, however***, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.5.4 Termination Without Cause or Resignation For Good Reason In Connection with a Change of Control. If the Company terminates Executive's employment

without Cause, or if Executive resigns for Good Reason, upon the occurrence of, or within the six (6) months following, the effective date of a Change of Control, the Company shall pay Executive any Base Salary owed to Executive, expenses reimbursement amounts owed to Executive, all unpaid amounts of any Annual Milestone Bonus(es) Executive earned prior to the termination date by meeting the conditions set forth in Section 3.2, and accrued and unused vacation benefits earned through the date of termination at the rate in effect at the time of termination, less standard deductions and withholdings. In addition, subject to Executive furnishing to the Company an executed Release within the time period specified therein, and allowing the Release to become effective in accordance with its terms, then Executive shall be entitled to: (1) severance in the form of continuation of his salary (at the Base Salary rate in effect at the time of termination) for a period of twelve (12) months following the termination date; and (2) immediate accelerated vesting of any unvested shares subject to any outstanding stock option(s), such that, on the effective date of the Release, the Executive shall be vested in one hundred percent (100%) of the shares subject to such option(s). The Base Salary payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release shall accrue and be paid in the first payroll period that follows such effective date.

4.6 Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

4.6.1 Complete Disability. A termination for **"*Complete Disability*"** shall occur: (i) when the Board has provided a written termination notice to Executive supported by a written statement from a reputable independent physician to the effect that Executive is or shall have become so physically or mentally incapacitated as to be unable to resume, within the ensuing six (6) months, his employment under this Agreement by reason of such physical or mental illness or injury; or (ii) upon rendering of a written termination notice by the Board after the Board determines, in its sole and complete discretion, that Executive has been unable to substantially perform his job duties hereunder for sixty (60) or more consecutive days, or more than one hundred and twenty (120) days in any consecutive twelve (12) month period, by reason of any physical or mental illness or injury. For purposes of this Section, at the Company's request Executive agrees to make himself available and to cooperate in a reasonable examination by a reputable independent physician retained by the Company.

4.6.2 Cause. **"*Cause*"** for the Company to terminate Executive's employment hereunder shall mean the occurrence of any of the following events, as determined by the Company and/or the Board in its and/or their sole and absolute discretion:

(i) The willful failure, disregard or refusal by Executive to perform his material duties or obligations under this Agreement which, to the extent it is curable by the Executive, is not cured within thirty (30) days after written notice thereof is given to Executive by the Company;

(ii) Any willful, intentional or grossly negligent act by Executive having the effect of materially injuring (whether financially or otherwise) the business or reputation of the Company or any of its Affiliates, including but not limited to, any senior officer, director or executive of the Company or any of its Affiliates;

(iii) Willful misconduct by Executive with respect to any of the material duties or obligations of Executive under this Agreement, including, without limitation, willful insubordination with respect to lawful directions received by Executive from the Board which, to the extent it is curable by the Executive, is not cured within thirty (30) days after written notice thereof is given to Executive by the Company;

(iv) Executive's indictment of any felony involving moral turpitude (including entry of a *nolo contendere* plea);

(v) The determination, after a reasonable and good-faith investigation by the Company, that the Executive engaged in some form of harassment or discrimination prohibited by law (including, without limitation, age, sex or race harassment or discrimination), unless the Executive's actions were specifically directed by the Board;

(vi) Executive's material misappropriation or embezzlement of the property of the Company or its Affiliates (whether or not a misdemeanor or felony); or

(vii) Material breach by Executive of any of the provisions of this Agreement, of any Company policy, and/or of his Proprietary Information and Inventions Agreement.

For purposes of this definition, the Parties agree that any breach of Sections 2 or 5 of this Agreement shall be deemed a material breach that is not capable of cure by Executive.

4.6.3 Good Reason. For purposes of this Agreement, and subject to the caveat at the end of this Section, "Good Reason" for Executive to terminate his employment hereunder shall mean the occurrence of any of the following events without Executive's consent:

(i) a material reduction by the Company of Executive's Base Salary as initially set forth herein or as the same may be increased from time to time, provided, however, that if such reduction occurs in connection with a Company-wide decrease in Executive compensation, such reduction shall not constitute Good Reason for Executive to terminate his employment;

(ii) a material breach of this Agreement by the Company; or

(iii) a material adverse change in Executive's duties, authority, or responsibilities relative to Executive's duties, authority, or responsibilities in effect immediately prior to such reduction.

Provided, however, that, any such termination by Executive shall only be deemed for Good Reason pursuant to this definition if: (1) Executive gives the Company written notice of his intent to terminate for Good Reason within thirty (30) days following the first occurrence of the condition(s) that he believes constitute(s) Good Reason, which notice shall describe such condition(s); (2) the Company fails to remedy such condition(s) within thirty (30) days following receipt of the written notice (the **"*Cure Period*"**); and (3) Executive voluntarily terminates his employment within thirty (30) days following the end of the Cure Period.

4.6.4 Change of Control. For purposes of this Agreement, "Change of Control" shall mean the occurrence, in a single transaction or in a series of related transactions, of any one or more of the following events (excluding in any case transactions in which the Company or its successors issues securities to investors primarily for capital raising purposes):

(i) the acquisition by a third party of securities of the Company representing more than fifty percent (50%) of the combined voting power of the Company's then outstanding securities other than by virtue of a merger, consolidation or similar transaction;

(ii) a merger, consolidation or similar transaction following which the stockholders of the Company immediately prior thereto do not own at least fifty percent (50%) of the combined outstanding voting power of the surviving entity (or that entity's parent) in such merger, consolidation or similar transaction;

(iii) the dissolution or liquidation of the Company; or

(iv) the sale, lease, exclusive license or other disposition of all or substantially all of the assets of the Company.

4.7 Survival of Certain Sections. Sections 2, 4, 5, 6, 7, 8, 9, 12, 13, 16, 17 and 19 of this Agreement will survive the termination of this Agreement.

4.8 Parachute Payment. If any payment or benefit the Executive would receive pursuant to this Agreement (**"*Payment*"**) would (i) constitute a **"*Parachute Payment*"** within the meaning of Section 280G of the Internal Revenue Code of 1986, as amended (the **"*Code*"**), and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the **"*Excise Tax*"**), then such Payment shall be reduced to the Reduced Amount. The **"*Reduced Amount*"** shall be either (x) the largest portion of the Payment that would result in no portion of the Payment being subject to the Excise Tax or (y) the largest portion of the Payment, which such amount, after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate), results in the Executive's receipt, on an after-tax basis, of the greatest economic benefit notwithstanding that all or some portion of the Payment may be subject to the Excise Tax. If a reduction in payments or benefits constituting Parachute Payments is necessary so that the Payment equals the Reduced Amount, reduction shall occur in the following order: (i) reduction of cash payments; (ii) cancellation of accelerated vesting of equity awards other than stock options; (iii) cancellation of accelerated vesting of stock options; and (iv) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, (i), (ii), (iii) or (iv)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A (as defined in Section 4.9 below) and then with respect to amounts that are. In the event that acceleration of compensation from Executive's equity awards is to be reduced, such acceleration of vesting shall be canceled, subject to the immediately preceding sentence, in the reverse order of the date of grant.

In the event it is subsequently determined by the Internal Revenue Service that some portion of the Reduced Amount (as determined pursuant to clause (x) in the preceding paragraph) is subject to the Excise Tax, Executive agrees to promptly return to the Company a sufficient amount of the Payment so that no portion of the Reduced Amount is subject to the Excise Tax. For the avoidance of doubt, if the Reduced Amount is determined in accordance with clause (y) in the preceding paragraph, Executive will have no obligation to return any portion of the Payment pursuant to the preceding sentence.

Unless Executive and the Company agree on an alternative accounting, law or consulting firm, the accounting firm then engaged by the Company for general tax compliance purposes shall perform the foregoing calculations. If the accounting firm so engaged by the Company is serving as accountant or auditor for the individual, entity or group effecting the Change in Control, the Company shall appoint a nationally recognized accounting, law or consulting firm to make the determinations required hereunder. The Company shall bear all expenses with respect to the determinations by such accounting, law or consulting firm required to be made hereunder.

The Company shall use commercially reasonable efforts such that the accounting, law or consulting firm engaged to make the determinations hereunder shall provide its calculations, together with detailed supporting documentation, to Executive and the Company within fifteen (15) calendar days after the date on which Executive's right to a Payment is triggered (if requested at that time by the Executive or the Company) or such other time as requested by the Executive or the Company.

4.9 Application of Internal Revenue Code Section 409A. Notwithstanding anything to the contrary set forth herein, any payments and benefits provided under this Agreement (the **"*Severance Benefits*"**) that constitute "deferred compensation" within the meaning of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively **"*Section 409A*"**) shall not commence in connection with Executive's termination of employment unless and until Executive has also incurred a "separation from service" (as such term is defined in Treasury Regulation Section 1.409A-1(h) (**"*Separation From Service*"**), unless the Company reasonably determines that such amounts may be provided to Executive without causing Executive to incur the additional 20% tax under Section 409A.

It is intended that each installment of the Severance Benefits payments provided for in this Agreement is a separate "payment" for purposes of Treasury Regulation Section 1.409A- 2(b)(2)(i). For the avoidance of doubt, it is intended that payments of the Severance Benefits set forth in this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A provided under Treasury Regulation Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). However, if the Company (or, if applicable, the successor entity thereto) determines that the Severance Benefits constitute "deferred compensation" under Section 409A and Executive is, on the termination of service, a "specified employee" of the Company or any successor entity thereto, as such term is defined in Section 409A(a)(2)(B)(i) of the Code, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefit payments shall be delayed until the earlier to occur of: (i) the date that is six months and one day after Executive's Separation From Service, or (ii) the date of Executive's death (such applicable date, the **"*Specified Employee Initial Payment Date*"**), the Company (or the successor entity thereto, as applicable) shall (A) pay to Executive a lump sum amount equal to the sum of the Severance Benefit payments that Executive would otherwise have received through the Specified Employee Initial Payment Date if the commencement of the payment of the Severance Benefits had not been so delayed pursuant to this Section and (B) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedules set forth in this Agreement.

Notwithstanding anything to the contrary set forth herein, Executive shall receive the Severance Benefits described above, if and only if Executive duly executes and returns to the Company within the applicable time period set forth therein, but in no event more than forty-five days following Separation From Service, a separation agreement containing the Company's standard form of release of claims in favor of the Company (attached to this Agreement as Exhibit A) and other standard provisions, including without limitation, those relating to non-disparagement and confidentiality (the "***Separation Agreement***"), and permits the release of claims contained therein to become effective in accordance with its terms. Notwithstanding any other payment schedule set forth in this Agreement, none of the Severance Benefits will be paid or otherwise delivered prior to the effective date of the Separation Agreement. Except to the extent that payments may be delayed until the Specified Employee Initial Payment Date pursuant to the preceding paragraph, on the first regular payroll pay day following the effective date of the Separation Agreement, the Company will pay Executive the Severance Benefits Executive would otherwise have received under the Agreement on or prior to such date but for the delay in payment related to the effectiveness of the Separation Agreement, with the balance of the Severance Benefits being paid as originally scheduled. All amounts payable under the Agreement will be subject to standard payroll taxes and deductions.

5. CONFIDENTIAL AND PROPRIETARY INFORMATION.

As a condition of employment Executive agrees to execute and abide by the Company's Proprietary Information and Inventions Agreement (**"*PIIA*"**).

6. ASSIGNMENT AND BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of Executive and Executive's heirs, executors, personal representatives, assigns, administrators and legal representatives. Because of the unique and personal nature of Executive's duties under this Agreement, neither this Agreement nor any rights or obligations under this Agreement shall be assignable by Executive. This Agreement shall be binding upon and inure to the benefit of the Company and its successors, assigns and legal representatives. Any such successor of the Company will be deemed substituted for the Company under the terms of this Agreement for all purposes. For this purpose, "successor" means any person, firm, corporation or other business entity which at any tie, whether by purchase, merger or otherwise, directly or indirectly acquires all or substantially all of the assets or business of the Company.

7. NOTICES.

All notices or demands of any kind required or permitted to be given by the Company or Executive under this Agreement shall be given in writing and shall be personally delivered (and receipted for) or faxed during normal business hours or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Company:

Coronado Biosciences, Inc.
45 Rockefeller Plaza
Suite 2000
New York, NY 10111
Attn: Chief Executive Officer

If to Executive:

Dale Ritter
6 Ogden Lane
Middleton, MA 01949

Any such written notice shall be deemed given on the earlier of the date on which such notice is personally delivered or three (3) days after its deposit in the United States mail as specified above. Either Party may change its address for notices by giving notice to the other Party in the manner specified in this Section.

8. CHOICE OF LAW.

This Agreement shall be construed and interpreted in accordance with the internal laws of the State of New York without regard to its conflict of laws principles.

9. INTEGRATION.

This Agreement, including Exhibit A and the PIIA, contains the complete, final and exclusive agreement of the Parties relating to the terms and conditions of Executive's employment and the termination of Executive's employment, and supersedes all prior and contemporaneous oral and written employment agreements or arrangements between the Parties.

10. AMENDMENT.

This Agreement cannot be amended or modified except by a written agreement signed by Executive and the Company.

11. WAIVER.

No term, covenant or condition of this Agreement or any breach thereof shall be deemed waived, except with the written consent of the Party against whom the wavier is claimed, and any waiver or any such term, covenant, condition or breach shall not be deemed to be a waiver of any preceding or succeeding breach of the same or any other term, covenant, condition or breach.

12. SEVERABILITY.

The finding by a court of competent jurisdiction of the unenforceability, invalidity or illegality of any provision of this Agreement shall not render any other provision of this Agreement unenforceable, invalid or illegal. Such court shall have the authority to modify or replace the invalid or unenforceable term or provision with a valid and enforceable term or provision, which most accurately represents the Parties' intention with respect to the invalid or unenforceable term, or provision.

13. INTERPRETATION; CONSTRUCTION.

The headings set forth in this Agreement are for convenience of reference only and shall not be used in interpreting this Agreement. This Agreement has been drafted by legal counsel representing the Company, but the Executive has been encouraged to consult with, and has consulted with, Executive's own independent counsel and tax advisors with respect to the terms of this Agreement. The Parties acknowledge that each Party and its counsel has reviewed and revised, or had an opportunity to review and revise, this Agreement, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

14. REPRESENTATIONS AND WARRANTIES.

Executive represents and warrants that Executive is not restricted or prohibited, contractually or otherwise, from entering into and performing each of the terms and covenants contained in this Agreement, and that Executive's execution and performance of this Agreement will not violate or breach any other agreements between the Executive and any other person or entity.

15. COUNTERPARTS.

This Agreement may be executed in two counterparts, each of which shall be deemed an original, all of which together shall contribute one and the same instrument.

16. ARBITRATION.

To ensure the rapid and economical resolution of disputes that may arise in connection with the Executive's employment with the Company, Executive and the Company agree that any and all disputes, claims, or causes of action, in law or equity, arising from or relating to Executive's employment, or the termination of that employment, will be resolved, to the fullest extent permitted by law, by final, binding and confidential arbitration pursuant to the Federal Arbitration Act in New York, New York conducted by the Judicial Arbitration and Mediation Services/Endispute, Inc. (**"*JAMS*"**), or its successors, under the then current rules of JAMS for employment disputes; provided that the arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute and to award such relief as would otherwise be permitted by law; and (b) issue a written arbitration decision including the

arbitrator's essential findings and conclusions and a statement of the award. Accordingly, Executive and the Company hereby waive any right to a jury trial. Both Executive and the Company shall be entitled to all rights and remedies that either Executive or the Company would be entitled to pursue in a court of law. The Company shall pay any JAMS filing fee and shall pay the arbitrator's fee. The arbitrator shall have the discretion to award attorneys fees to the party the arbitrator determines is the prevailing party in the arbitration. Nothing in this Agreement is intended to prevent either Executive or the Company from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration. Notwithstanding the foregoing, Executive and the Company each have the right to resolve any issue or dispute involving confidential, proprietary or trade secret information, or intellectual property rights, by Court action instead of arbitration.

17. INDEMNIFICATION.

The Company shall defend and indemnify Executive in his capacity as Senior Vice President Finance and Chief Accounting Officer of the Company to the fullest extent permitted under the Delaware General Corporate Law (the "***DGCL***"). The Company shall also maintain a policy for indemnifying its officers and directors, including but not limited to the Executive, for all actions permitted under the DGCL taken in good faith pursuit of their duties for the Company, including but not limited to maintaining an appropriate level of Directors and Officers Liability coverage and maintaining the inclusion of such provisions in the Company's by-laws or certificate of incorporation, as applicable and customary. The rights to indemnification shall survive any termination of this Agreement.

18. TRADE SECRETS OF OTHERS.

It is the understanding of both the Company and Executive that Executive shall not divulge to the Company and/or its subsidiaries any confidential information or trade secrets belonging to others, including Executive's former employers, nor shall the Company and/or its Affiliates seek to elicit from Executive any such information. Consistent with the foregoing, Executive shall not provide to the Company and/or its Affiliates, and the Company and/or its Affiliates shall not request, any documents or copies of documents containing such information.

19. ADVERTISING WAIVER.

Executive agrees to permit the Company, and persons or other organizations authorized by the Company, to use, publish and distribute advertising or sales promotional literature concerning the products and/or services of the Company, or the machinery and equipment used in the provision thereof, in which Executive's name and/or pictures of Executive taken in the course of Executive's provision of services to the Company appear. Executive hereby waives and releases any claim or right Executive may otherwise have arising out of such use, publication or distribution.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

CORONADO BIOSCIENCES, INC.

By: /s/ Bobby W. Sandage
BOBBY W. SANDAGE, JR. PHD.

Its: President and Chief Executive Officer

Dated: 5/16/2011

EXECUTIVE:

/s/ Dale Ritter
DALE RITTER

Dated: 5/16/2011

Exhibit 10.22

June 3, 2011

Gary G. Gemignani
400 East 66th Street PH2
New York, NY 10065

Re: Transition from Coronado Biosciences, Inc.

Dear Gary:

This letter sets forth the substance of the separation agreement (the "***Agreement***") that Coronado Biosciences, Inc. (the "***Company***") is offering to you to aid in your employment transition. Your receipt of the benefits specified by this Agreement is contingent upon satisfaction of both of the following conditions (the "***Conditions***"): (1) you must sign this Agreement and return it to the Company within twenty-one (21) days of receiving it, and allow it to become effective as specified in Section 19 below; and (2) you must sign the release attached hereto as Exhibit A (the **"*Release*"**) and return it to the Company within twenty-one (21) days after the Separation Date (as defined below), and allow it to become effective as specified therein. If both Conditions are satisfied, then the following terms and conditions shall apply:

1. Separation Date and Transition Period. Your last day of work with the Company and your employment termination date will be June 30, 2011 (the "***Separation Date***"). The period between the date hereof and the Separation Date shall be referred to herein as the "***Transition Period***." Throughout the Transition Period, your employment with the Company shall remain at will. This means that the Company retains the right to accelerate the Separation Date and terminate your employment on any earlier date of its choosing, for any reason or for no reason, with or without cause or advance notice.

2. Change in Title. Effective as of the date of this Agreement, you will no longer hold the position of Executive Vice President, Chief Operating Officer and Chief Financial Officer of the Company, and your title will become Vice President of Special Projects.

3. Work Location During Transition Period. The last day that you will report to work at the Company's offices will be Friday, May 13, 2011. You will not report to the Company's offices after that date, but rather will perform the Transition Duties (as defined below) remotely.

4. Duties During Transition Period. Your duties during the Transition Period shall include: providing assistance in the transition of your former duties as CFO, along with such other duties as may be reasonably requested or directed by the Company (the "***Transition Duties***"). You agree to devote your best business efforts and energies to the performance of the Transition Duties throughout the Transition Period.

5. Compensation During Transition Period. You will continue to be paid at your current base salary rate of three hundred and fifty-seven thousand dollars ($357,000) per year (the "***Base Salary Rate***") throughout the Transition Period.

6. Accrued Salary And Vacation. On the Separation Date, the Company will pay you all accrued salary and all accrued and unused vacation earned from inception of employment through the Separation Date (approximately 4 weeks worth), at your Base Salary Rate, subject to standard payroll deductions and withholdings.

7. Severance Payments. Pursuant to the Employment Agreement, and provided that the Conditions described above are satisfied, the Company will pay you severance in the form of salary continuation at the Base Salary Rate for a period of six (6) months following the Separation Date. These payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle, provided, however, that any payments otherwise scheduled to be made prior to the effective date of the Release (as defined therein) (the "***Release Effective Date***") shall accrue and be paid in the first payroll period that follows the Release Effective Date.

8. Bonus Payment. Notwithstanding Section 3.2 of your Employment Agreement, provided that the Conditions described above are satisfied, the Company will pay you a pro-rated bonus for the year 2011, in the amount of eighty-nine thousand two hundred fifty dollars ($89,250). This bonus payment will be subject to standard payroll deductions and withholdings and will be paid on the first payroll period that follows the Release Effective Date.

9. Stock Options. Under the terms of your stock option agreement and the applicable plan documents, none of your stock options will have vested as of the Separation Date. Pursuant to the Employment Agreement, and provided that the Conditions described above are satisfied, effective as of the Release Effective Date you shall receive immediate accelerated vesting of: (1) 66,667 shares subject to the option granted to you on October 5, 2010; and (2) 8,333 shares subject to the option granted to you on February 17, 2011 (for a total of 75,000 shares vested). Notwithstanding the terms of any of your stock option agreement, grant notice and/or applicable plan documents, your right to exercise vested shares, shall be extended from three (3) months to six (6) months following the Separation Date. All other rights and obligations with respect to your stock options, will be as set forth in your stock option agreement, grant notice and applicable plan documents; *provided, however*, that any rights of repurchase or rights of first refusal or co-sale, if any, that are applicable to your stock options and/or the equity securities underlying such stock options shall no longer be applicable to the 75,000 stock options (and/or the equity securities underlying such stock options) which are described in this Section 9. Your remaining unvested options shall be cancelled.

10. Other Compensation Or Benefits. You acknowledge that, except as expressly provided in this Agreement, you will not receive any additional compensation, severance, or benefits from the Company after the Separation Date.

11. Expense Reimbursements. You agree that, within thirty (30) days of the Separation Date, you will submit your final documented expense reimbursement statement reflecting all business expenses you incurred through the Separation Date, if any, for which you seek reimbursement. The Company will reimburse you for these expenses and any previously submitted and unpaid expenses pursuant to its regular business practice.

12. Return Of Property. By Friday, May 13, 2011, you agree to return to the Company all documents (and all copies thereof) belonging to the Company and all other property belonging to the Company that you have in your possession, including, but not limited to, all files, notes, drawings, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers), credit cards, entry cards, identification badges, and keys; and, any materials of any kind that contain or embody any proprietary or confidential information of the Company (and all reproductions thereof). Your timely return of all such documents and other property is a condition precedent to your receipt of the benefits provided under this Agreement.

13. Proprietary Information Obligations. You acknowledge and affirm your commitment to abide by your continuing obligations under your Proprietary Information and Inventions Agreement ("***PIIA***"); *provided, however,* that the nonsolicitation obligations contained in Section 4 therein shall not be applicable to you and shall be superseded by the nonsolicitation obligations in your Employment Agreement, as specified in Section 14 below.

14. Nonsolicitation Obligations. You acknowledge and affirm your commitment to abide by the nonsolicitation obligations specified in Section 2.4 of your Employment Agreement; *provided*, that the Company hereby agrees that, from time to time, you may request of the Company's CEO permission to solicit the Company's employees, such permission to not be unreasonably withheld. For the avoidance of doubt, Section 2.3 of your Employment Agreement relating to non-competition obligations, shall no longer be applicable to you following the Separation Date.

15. Confidentiality. Both parties shall keep the provisions of this Agreement in the strictest of confidence, and will not publicize or disclose them in any manner whatsoever, *provided, however,* that they may disclose this Agreement: (a) in confidence to immediate family members, attorneys, accountants, auditors, tax preparers, and financial advisors; and (b) insofar as such disclosure may be necessary to enforce its terms or as otherwise required by law. In particular, and without limitation, both parties agree not to disclose the terms of this Agreement to any current or former consultant or employee of the Company.

16. Nondisparagement. You and each of the Company's executive officers and directors agree not to disparage the other party, or its officers, directors, employees, shareholders, or agents, in any manner likely to be harmful to them, its or their businesses, business reputations, or personal reputations, provided that each party will respond accurately and fully to any question, inquiry or request for information when required by legal process.

17. No Admissions. You understand and agree that the promises and payments in consideration of this Agreement shall not be construed to be an admission of any liability or obligation by the Company to you or to any other person, and that the Company makes no such admission.

18. Mutual Release of Claims. In exchange for the consideration provided to you by this Agreement that you are not otherwise entitled to receive, and other valuable consideration, you and the Company and its current and former directors, officers, employees, stockholders, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, affiliates, and assigns (collectively, the "***Released Parties***", with the Company and You each being a "Party"), hereby generally and completely release each other, from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date that the Parties sign this Agreement (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to your employment with the Company, or the termination of that employment; (b) all claims related to your compensation or benefits from the Company including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) (the "***ADEA***"), the New York Human Rights Act, the New York Law on Equal Rights, and the New York Law on Equal Pay. Notwithstanding the foregoing, the following are not included in the Released Claims (the "***Excluded Claims***"): (a) any rights or claims for indemnification you may have pursuant to any written indemnification agreement (including your Employment Agreement) with the Company to which you are a party, under any of the Company's D&O or other insurance policies, as applicable, the charter, bylaws, or operating agreements of the Company, or under applicable law; (b) any rights or claims you have to unemployment compensation, funds accrued in your 401(k) account or any vested equity incentives; (c) any rights that are not waivable as a matter of law; (d) any claims arising from the breach of this Agreement; or (e) any willful misconduct or similar claims

against you arising from facts or circumstances not actually known by the Company as of the execution of this Agreement . You and the Company hereby represent and warrant that, other than the Excluded Claims, you and the Company are not aware of any claims you or the Company have or might have against any of the Released Parties that are not included in the Released Claims.

19. ADEA Waiver. You acknowledge that you are knowingly and voluntarily waiving and releasing any rights you may have under the ADEA ("***ADEA Waiver***"). You also acknowledge that the consideration given for the ADEA Waiver is in addition to anything of value to which you were already entitled. You are advised by this writing, as required by the ADEA, that: (a) this release does not apply to any claims that may arise after you sign this Agreement; (b) you should consult with an attorney prior to executing this release; (c) you have twenty-one (21) days within which to consider this release (although you may choose to voluntarily execute the Agreement earlier); (d) you have seven (7) days following the execution of this release to revoke this Agreement (in a written revocation directed to me); and (e) this Agreement will not be effective until the eighth day after you sign this Agreement, provided that you have not earlier revoked this Agreement. You will not be entitled to receive any of the benefits specified by this Agreement unless and until it becomes effective.

20. Release of Unknown Claims. In granting the release herein, which includes claims that may be unknown to you at present, you acknowledge that you expressly waive and relinquish any and all rights and benefits under any applicable law or statute providing, in substance, that a general release does not extend to claims which a party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her would have materially affected the terms of such release.

21. Miscellaneous. This Agreement, along with Exhibit A and the PIIA, constitutes the complete, final and exclusive embodiment of the entire agreement between you and the Company with regard to its subject matter. Except as otherwise set forth herein, if any term of this Agreement is inconsistent with or otherwise conflicts with your Employment Agreement, this Agreement shall govern such subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a writing signed by both you and a duly authorized officer of the Company. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, and your and its heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question will be modified so as to be rendered enforceable. This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the State of New York as applied to contracts made and to be performed entirely within New York. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement shall be in writing and shall not be deemed to be a waiver of any successive breach. This Agreement may be executed in counterparts and facsimile signatures will suffice as original signatures.

****

If this Agreement is acceptable to you, please sign below and return the original to me within the 21-day period specified above.

We wish you the best in your future endeavors.

Sincerely,

Coronado Biosciences, Inc.

By: /s/ Bobby W. Sandage

Bobby W. Sandage, Jr., Ph.D.
Chief Executive Officer

I HAVE READ, UNDERSTAND AND AGREE FULLY TO THE FOREGOING AGREEMENT:

/s/ Gary Gemignani

GARY G. GEMIGNANI

Date: 6/10/2011

EXHIBIT A

RELEASE AND WAIVER OF CLAIMS
DO NOT SIGN UNTIL ON OR AFTER THE SEPARATION DATE

In consideration for the benefits set forth in my Separation Agreement dated May [__], 2011, to which this form is attached, I, Gary G. Gemignani, and Coronado Biosciences, Inc. (the ***"Company"***) and its current and former directors, officers, employees, stockholders, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, affiliates, and assigns (each of the aforementioned parties, collectively, the "***Released Parties***", with the Company and You each being a "Party"), hereby generally and completely release each other, from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date that the Parties sign this Agreement (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to your employment with the Company, or the termination of that employment; (b) all claims related to your compensation or benefits from the Company including salary, bonuses, commissions, vacation pay, expense reimbursements, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) (the "***ADEA***"), the New York Human Rights Act, the New York Law on Equal Rights, and the New York Law on Equal Pay. Notwithstanding the foregoing, the following are not included in the Released Claims (the "***Excluded Claims***"): (a) any rights or claims for indemnification you may have pursuant to any written indemnification agreement (including your Employment Agreement) with the Company to which you are a party, under any of the Company's D&O or other insurance policies, as applicable, the charter, bylaws, or operating agreements of the Company, or under applicable law; (b) any rights or claims you have to unemployment compensation, funds accrued in your 401(k) account or any vested equity incentives; (c) any rights that are not waivable as a matter of law; (d) any claims arising from the breach of the Separation Agreement to which this Release is attached; or (e) any willful misconduct or similar claims against you arising from facts or circumstances not actually known by the Company as of the execution of this Release. You and the Company hereby represent and warrant that, other than the Excluded Claims, you and the Company are not aware of any claims you or the Company have or might have against any of the Released Parties that are not included in the Released Claims.

I also acknowledge that I expressly waive and relinquish any and all rights and benefits under any applicable law or statute providing, in substance, that a general release does not

extend to claims which a party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her would have materially affected the terms of such release.

I acknowledge that, among other rights, I am waiving and releasing any rights I may have under ADEA, that this Release is knowing and voluntary, and that the consideration given for this Release is in addition to anything of value to which I was already entitled as an executive of the Company. If I am 40 years of age or older upon execution of this Release, I further acknowledge that I have been advised, as required by the Older Workers Benefit Protection Act, that: (a) the Release granted herein does not relate to claims under the ADEA which may arise after this Release is executed; (b) I should consult with an attorney prior to executing this Release; and (c) I have twenty-one (21) days from the date of termination of my employment with the Company in which to consider this Release (although I may choose voluntarily to execute this Release earlier); (d) I have seven (7) days following the execution of this Release to revoke my consent to this Release; and (e) this Release shall not be effective until the seven (7) day revocation period has expired unexercised (the "***Release Effective Date***").

I acknowledge my continuing obligations under my Proprietary Information and Inventions Agreement (with the exception of the nonsolicitation provisions therein, which obligations shall be governed by my Employment Agreement and Separation Agreement). Pursuant to the Proprietary Information and Inventions Agreement, I understand that among other things, I must not use or disclose any confidential or proprietary information of the Company and I must immediately return all Company property and documents (including all embodiments of proprietary information) and all copies thereof in my possession or control. I understand and agree that my right to the retention benefits I am receiving in exchange for my agreement to the terms of this Release is contingent upon my continued compliance with my Proprietary Information and Inventions Agreement.

This Release (and the Separation Agreement to which it is attached) constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company that is not expressly stated herein. This Release may only be modified by a writing signed by both me and a duly authorized officer of the Company.

Coronado Biosciences, Inc.

By: /s/ Bobby W. Sandage

Bobby W. Sandage, Jr., Ph.D.
Chief Executive Officer

GARY G. GEMIGNANI

Date:

Exhibit 10.23

December 2, 2010

Raymond J. Tesi, M.D.
188 Ludlow Street, Apt 14A
New York, NY 10002

Re: Transition from Coronado Biosciences, Inc.

Dear RJ:

This letter sets forth the substance of the separation agreement (the "***Agreement***") that Coronado Biosciences, Inc. (the "***Company***") is offering to you to aid in your employment transition.

1. FINAL DATE OF EMPLOYMENT. Your final date of employment with the Company was September 7, 2010 (the "***Separation Date***"). You acknowledge that the Company has paid you in full for all accrued salary and other amounts earned through the Separation Date.

2. RELEASE AND WAIVER. As consideration for the benefits provided to you by this Agreement, and as a condition precedent to the receipt of any and all such benefits, you must execute, deliver to the Company, and allow to become effective the general release and waiver attached as **Exhibit 1** to this Agreement (the "***Release***").

3. SEVERANCE PAYMENTS. Contingent upon your timely execution of this Agreement and provision of an effective Release, the Company will pay you severance in the form of salary continuation (at the Base Salary in effect as of the Separation Date) for a period of six (6) months following the effective date of the Release (the "***Effective Date of the Release***"). These payments will be subject to standard payroll deductions and withholdings and will be made on the Company's regular payroll cycle; provided, however, that any payments scheduled to occur prior to the Effective Date of the Release shall instead accrue and be paid on the first regular payroll date that follows the Effective Date of the Release. You understand that your right to receive these payments is conditioned upon your continued compliance with the terms of this Agreement, your proprietary information and inventions agreement ("***PIIA***"), and the nonsolicitation and noncompetition obligations specified in your employment agreement with the Company dated June 1, 2010 (the "***Employment Agreement***").

As of the Separation Date, you have had a "separation from service" from the Company for purposes of Section 409A of the Internal Revenue Code. Each installment of severance benefits is a separate "payment" for purposes of Treas. Reg. Section 1.409A-2(b)(2)(i), and the severance benefits are intended to satisfy the exemptions from application of Section 409A provided under Treasury Regulations Sections 1.409A-1(b)(4), 1.409A-1(b)(5) and 1.409A-1(b)(9). The severance benefits are intended to qualify for an exemption from application of Section 409A or comply with its requirements to the extent necessary to avoid adverse personal tax consequences under Section 409A, and any ambiguities herein shall be interpreted accordingly.

4. STOCK OPTIONS. Contingent upon your timely execution of this Agreement and provision of an effective Release, effective as of the Effective Date of the Release the vesting of one-third of the shares subject to the stock option granted to you on October 5, 2010 (the "***Option***"), shall accelerate and such shares shall become immediately exercisable. In that event, the exercisability of such shares shall continue for the three (3) month period following the date of your resignation from the Board, subject to and in accordance with the terms and conditions of the Company's 2007 Stock Incentive Plan and your stock option agreement thereunder. The non-vested portion of the Option shall automatically terminate effective retroactively to the date of your resignation from the Board.

5. EXPENSE REIMBURSEMENTS. You hereby confirm that you have submitted any and all outstanding expense reimbursement requests to the Company. The Company will reimburse you for all reasonable and proper business expenses, assuming they are properly documented, in accordance with its expense reimbursement policy. You understand that no reimbursement will be made for any rent payments, including rent payments for your New York City apartment.

6. ADDITIONAL OBLIGATIONS. You hereby acknowledge and affirm your commitment to abide by the obligations specified in your PIIA and by the noncompetition and nonsolicitation obligations specified in your Employment Agreement. If you did not sign the Company's updated form of PIIA during your employment as required by the Employment Agreement, then as a condition to receiving the benefits described in this Agreement you must execute a copy of the PIIA and return it to the Company on or before the Effective Date of the Release. In that event, you hereby acknowledge the retroactive effectiveness of the PIIA to the date of the Employment Agreement. If you did sign the Company's updated form of PIIA during your employment as required by the Employment Agreement, then as a condition to receiving the benefits described in this Agreement you must deliver a copy of the executed PIIA to the Company on or before the Effective Date of the Release.

7. OTHER COMPENSATION OR BENEFITS. You acknowledge that, except as expressly provided in this Agreement, you will not receive any additional compensation, severance, or benefits from the Company after the Separation Date.

8. RETURN OF PROPERTY. You hereby represent that you have returned to the Company all documents (and all copies thereof) belonging to the Company and all other property belonging to the Company that you have in your possession, including, but not limited to, all files, notes, drawings, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers), credit cards, entry cards, identification badges, and keys; and, any materials of any kind that contain or embody any proprietary or confidential information of the Company (and all reproductions thereof).

9. CONFIDENTIALITY. The provisions of this Agreement will be held in the strictest confidence by you, and you will not publicize or disclose them in any manner whatsoever, *provided, however,* that you may disclose this Agreement: (a) in confidence to your immediate family members, attorneys, accountants, auditors, tax preparers, and financial advisors; and (b) insofar as such disclosure may be necessary to enforce its terms or as otherwise required by law. In particular, and without limitation, you agree not to disclose the terms of this Agreement to any current or former consultant or employee of the Company.

10. NONDISPARAGEMENT. You agree not to disparage the Company, or its officers, directors, employees, shareholders, or agents, in any manner likely to be harmful to its or their businesses, business reputations, or personal reputations, provided that you will respond accurately and fully to any question, inquiry or request for information when required by legal process. The Company agrees not to disparage you in any manner likely to be harmful to your business or personal reputation, provided that it will respond accurately and fully to any question, inquiry or request for information when required by legal process. You understand and agree that the Company's obligation extends only to its current officers and board of directors, and only for so long as they remain officers or directors of the Company.

11. NO ADMISSIONS. You understand and agree that the promises and payments in consideration of this Agreement shall not be construed to be an admission of any liability or obligation by the Company to you or to any other person, and that the Company makes no such admission.

12. MISCELLANEOUS. This Agreement, along with Exhibit 1 hereto and the PIIA, constitutes the complete, final and exclusive embodiment of the entire agreement between you and the Company with regard to its subject matter. It is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein, and it supersedes any other such promises, warranties or representations. This Agreement may not be modified or amended except in a writing signed by both you and a duly authorized officer of the Company. This Agreement will bind the heirs, personal representatives, successors and assigns of both you and the Company, and inure to the benefit of both you and the Company, and your and its heirs, successors and assigns. If any provision of this Agreement is determined to be invalid or unenforceable, in whole or in part, this determination will not affect any other provision of this Agreement and the provision in question will be modified so as to be rendered enforceable. This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the State of New York as applied to contracts made and to be performed entirely within New York. Any ambiguity in this Agreement shall not be construed against either party as the drafter. Any waiver of a breach of this Agreement shall be in writing and shall not be deemed to be a waiver of any successive breach. This Agreement may be executed in counterparts and facsimile signatures will suffice as original signatures.

Please confirm your agreement to the foregoing by signing and returning a copy of this Agreement to me along with an executed copy of the Release attached as **Exhibit 1,** and permitting it to become effective in accordance with its terms. We wish you the best in your future endeavors.

Sincerely,

CORONADO BIOSCIENCES, INC.

By:
Name:
Title:

Acknowledged and agreed:

Dated:1/11/11

/s/ Raymond J. Tesi
Raymond J. Tesi, M.D.

EXHIBIT 1

RELEASE AND WAIVER OF CLAIMS

RELEASE AND WAIVER OF CLAIMS

As consideration for, and as a condition to receiving, the payments and other benefits set forth in the separation agreement of December 2, 2010 (the "***Separation Agreement***"), to which this form is attached, I, Raymond J. Tesi, M.D., hereby furnish **CORONADO BIOSCIENCES, INC.** (the ***"Company"***), with the following release and waiver (***"Release and Waiver"***).

I hereby generally and completely release the Company and its current and former directors, officers, employees, stockholders, partners, agents, attorneys, predecessors, successors, parent and subsidiary entities, insurers, affiliates, and assigns (collectively, the "***Released Parties***") from any and all claims, liabilities and obligations, both known and unknown, that arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date that I sign this Agreement (collectively, the "***Released Claims***"). The Released Claims include, but are not limited to: (a) all claims arising out of or in any way related to my employment with the Company, the termination of that employment, or my service on the board of directors of the Company; (b) all claims related to my compensation or benefits from the Company, including but not limited to salary, bonuses, commissions, vacation pay, expense reimbursements, moving expenses, severance pay, fringe benefits, stock, stock options, or any other ownership interests in the Company; (c) all claims for breach of contract, wrongful termination, and breach of the implied covenant of good faith and fair dealing; (d) all tort claims, including claims for fraud, defamation, emotional distress, and discharge in violation of public policy; and (e) all federal, state, and local statutory claims, including claims for discrimination, harassment, retaliation, misclassification, attorneys' fees, or other claims arising under the federal Civil Rights Act of 1964 (as amended), the federal Americans with Disabilities Act of 1990, the federal Age Discrimination in Employment Act of 1967 (as amended) (the "***ADEA***"), the Washington Law against Discrimination, the Washington Equal Pay Law, the Washington Civil Rights Act, the New York Human Rights Act, the New York Law on Equal Rights, and the New York Law on Equal Pay. Notwithstanding the foregoing, the following are not included in the Released Claims (the "***Excluded Claims***"): (a) any rights or claims for indemnification I may have pursuant to any written indemnification agreement with the Company to which I am a party, the charter, bylaws, or operating agreements of the Company, or under applicable law; (b) any rights that are not waivable as a matter of law; or (c) any claims arising from the breach of this Agreement. I hereby represent and warrant that, other than the Excluded Claims, I am not aware of any claims I have or might have against any of the Released Parties that are not included in the Released Claims.

I also acknowledge that I expressly waive and relinquish any and all rights and benefits under any applicable law or statute providing, in substance, that a general release does not extend to claims which a party does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her would have materially affected the terms of such release.

I acknowledge that, among other rights, I am waiving and releasing any rights I may have under the ADEA, that this Release and Waiver is knowing and voluntary, and that the consideration given for this Release and Waiver is in addition to anything of value to which I

was already entitled. If I am 40 years of age or older upon execution of this Release and Waiver, I further acknowledge that I have been advised, as required by the Older Workers Benefit Protection Act, that: (a) the Release and Waiver granted herein does not relate to claims under the ADEA that may arise after this Release and Waiver is executed; (b) I should consult with an attorney prior to executing the Separation Agreement and this Release and Waiver; and (c) I have twenty-one (21) days in which to consider the Separation Agreement and this Release and Waiver (although I may choose voluntarily to execute the Separation Agreement and this Release and Waiver earlier); (d) I have seven (7) days following the execution of this Release and Waiver to revoke my consent to this Release and Waiver; and (e) the Separation Agreement and this Release and Waiver shall not be effective until the seven (7) day revocation period has expired without my having previously revoked this Release and Waiver (the "***Effective Date***"). I will not be entitled to receive any of the benefits specified by the Separation Agreement unless this Release and Waiver becomes effective.

I acknowledge my continuing obligations under my Proprietary Information and Inventions Agreement. Pursuant to the Proprietary Information and Inventions Agreement I understand that among other things, I must not use or disclose any confidential or proprietary information of the Company and I must immediately return all Company property and documents (including all embodiments of proprietary information) and all copies thereof in my possession or control.

This Release and Waiver (along with the Separation Agreement to which it is attached and my Proprietary Information and Inventions Agreement) constitutes the complete, final and exclusive embodiment of the entire agreement between the Company and me with regard to the subject matter hereof. I am not relying on any promise or representation by the Company that is not expressly stated herein. This Release and Waiver may only be modified by a writing signed by both me and a duly authorized officer of the Company.

Date: 1/11/11

By: /s/ Raymond J. Tesi
Raymond J. Tesi, M.D.

Exhibit 10.24

CORONADO BIOSCIENCES, INC.

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the ***"Agreement"***) is made and entered into as of September 21, 2010 (the ***"Effective Date"***), by and between **CORONADO BIOSCIENCES, INC.** (the ***"Company"***) and **ERIC ROWINSKY, M.D.** (the ***"Advisor"***). The Company and the Advisor may be referred to herein individually as a ***"Party"*** or collectively, as ***"Parties."***

RECITAL

The Company desires to retain Advisor to serve as the Vice Chairman of the Board of Directors (the ***"Board"***) and to provide additional consulting services to the Company on the terms set forth in this Agreement.

AGREEMENT

In consideration of the mutual covenants set forth below, the Parties hereby agree as follows:

1. Service as Vice Chairman of Board of Directors.

Effective as of October 1, 2010, pursuant to Board appointment, Advisor shall hold the position of Vice Chairman of the Board.

2. Consulting Services.

Commencing on the Effective Date, the Company hereby retains Advisor, and Advisor hereby agrees to serve, as a consultant to the Company to provide to the Company such consulting services with respect to the Company's business and operations as may be mutually agreed upon by the Parties including, without limitation, meeting or telephone consultation with Company management, consultants and other Board members, reviewing goals of the Company and assisting in developing strategies for achieving such goals, and providing advice and support for the Company's clinical product development activities as requested by the Company. Advisor agrees to exercise the highest degree of professionalism and to utilize Advisor's expertise and creative talents to the fullest in performing the Services.

3. Compensation.

As full and complete compensation for the Services and for his service as Executive Chairman of the Board, the Company shall pay Advisor a fee of twenty thousand eight hundred thirty three dollars and thirty three cents ($20,833.33) per month (pro-rated for any partial month of service as Vice Chairman). The fee will be guaranteed for the first twelve months unless the Advisor terminates the agreement as provided in Section 9 below. In addition, subject to approval by the Board and subject to the terms of the Company's Equity Incentive Plan (the **"Plan"**, following the effective date Advisor will be granted an option (the ***"Option"***) to purchase (193,490) shares of the Company's Common Stock On each anniversary of the grant

date of the Option, one-third (1/3) of the shares subject to the Option shall vest, subject to Advisor's continued service as the Vice Chairman of the Board on each such vesting date. The exercise price per share of the Option shall be equal to the fair market value of a single share of Common Stock on the date of the grant as determined in good faith by the Board. The Option shall be governed by the Company's 2007 Stock Incentive Plan and shall be granted pursuant to a separate stock option grant notice and stock option agreement.

4. Expenses. Coronado will reimburse Advisor for all reasonable and necessary expenses, including, without limitation, domestic and foreign travel, lodging and meal expenses incurred by incurred by him in connection with his consulting hereunder promptly following Coronado's receipt of a request for reimbursement from the Advisor. The Advisor shall promptly provide Coronado with documentation supporting all such expenses.

5. Independent Contractor.

Advisor's relationship with the Company is that of an independent contractor, and nothing in this Agreement is intended to, or should be construed to, create a partnership, agency, joint venture or employment relationship. Advisor will not be entitled to any of the benefits that the Company may make available to its employees, including, but not limited to, group health or life insurance, profit-sharing or retirement benefits. Advisor is not authorized to make any representation, contract or commitment on behalf of the Company unless specifically requested or authorized in writing to do so by the Board. Advisor is solely responsible for, and will file, on a timely basis, all tax returns and payments required to be filed with, or made to, any federal, state or local tax authority with respect to his work for the Company under this Agreement. No part of Advisor's compensation will be subject to withholding by the Company for the payment of any social security, federal, state or any other employee payroll taxes. The Company will regularly report amounts paid to Advisor by filing Form 1099-MISC with the Internal Revenue Service as required by law.

6. Confidentiality; Inventions.

Advisor recognizes that information relating to the Company and its research and development programs and strategic and business activities and operations is proprietary and of significant value to the Company. Advisor agrees as follows:

(a) At all times during the term of Advisor's association with the Company and thereafter, Advisor will hold in strictest confidence and will not disclose or use any of the Proprietary Information (defined below), except to the extent such disclosure or use may be required in direct connection with the Advisor's work for the Company or is expressly authorized in writing in advance by the Board.

(b) The term ***"Proprietary Information"*** shall mean any and all trade secrets, confidential knowledge, know-how, data or other proprietary information or materials of the Company, including, without limitation, the Inventions (as defined below). By way of illustration but not limitation, Proprietary Information includes: (i) inventions, ideas, samples,

processes, formulas, data, know-how, improvements, discoveries, developments, designs and techniques; (ii) information regarding plans for research, development, new products, marketing and selling, business plans, budgets and unpublished financial statements, licenses, prices and costs, suppliers and customers; and (iii) information regarding the skills and compensation of employees or other consultants of the Company.

(c) Advisor understands that Company has received and will in the future receive from third parties confidential and/or proprietary information that is subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes (***"Third Party Information"***). Advisor agrees to hold all such Third Party Information in confidence and to not use it or disclose it to anyone, except in connection with Advisor's work for the Company or as expressly authorized in writing in advance by the Board.

(d) Advisor agrees that any and all inventions, discoveries and know-how that the Advisor conceives, reduces to practice or develops during the term of this Agreement, alone or in conjunction with others, in the course of or as a direct result of his work for the Company and all intellectual property rights therein (the ***"Inventions"***) shall be the sole and exclusive property of the Company. Advisor hereby assigns and agrees to assign to the Company his entire right, title and interest in and to all Inventions and designates the Company as his agent for, and grants to the Company a power of attorney with full power of substitution, which power of attorney shall be deemed coupled with an interest, solely for the purpose of effecting such assignment. Advisor further agrees to cooperate and provide reasonable assistance to the Company to obtain and from time to time enforce all intellectual property rights in the Inventions.

7. Noncompetition; Nonsolicitation.

(a) During the Term (as defined below), Advisor agrees not to acquire, assume or participate in, directly or indirectly, any position, investment or interest known by Advisor to be adverse or antagonistic to the Company, its business, or prospects, financial or otherwise, or in any company, person, or entity that is, directly or indirectly, in competition with the business of the Company or any of its Affiliates (as defined below). Ownership by Advisor, in professionally managed funds over which the Advisor does not have control or discretion in investment decisions, or as a passive investment, of less than two percent (2%) of the outstanding shares of capital stock of any corporation with one or more classes of its capital stock listed on a national securities exchange or publicly traded on a national securities exchange or in the over-the-counter market shall not constitute a breach of this Section. For purposes of this Agreement, ***"Affiliate,"*** means, with respect to any specific entity, any other entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified entity.

(b) During the Term and for a period of twelve (12) months thereafter (the ***"Restricted Period"***), Advisor shall not engage in competition with the Company and/or any of its Affiliates, either directly or indirectly, in any manner or capacity, as adviser, principal, agent, affiliate, promoter, partner, officer, director, employee, stockholder, owner, co-owner,

consultant, or member of any association or otherwise, in any phase of the business of developing, manufacturing and marketing of products or services that involve the use of NK cells or related cell therapies for the treatment of cancer, except with the prior written consent of the Board.

(c) During the Restricted Period, Advisor shall not, directly or indirectly: (i) solicit or induce, or attempt to solicit or induce, any employee of the Company or its Affiliates to leave the employ of the Company or such Affiliate; or (ii) solicit or attempt to solicit the business of any client or customer of the Company or its Affiliates with respect to products, services, or investments similar to those provided or supplied by the Company or its Affiliates.

8. No Conflicting Obligations.

Advisor represents that Advisor's performance of all of the terms of this Agreement, including the performing of the Services for the Company, do not and will not breach or conflict with any agreement with any third party. The Parties acknowledge and agree that Advisor's service on the boards of directors and management of Primrose Therapeutics Inc, Biogen-Idec and Neoprobe shall not constitute a breach of this Agreement, provided that such service does not interfere with Advisor's work for the Company as specified herein.

9. No Use of Others' Confidential Materials.

Advisor agrees not to bring to the Company or to use in the performance of his work for the Company any materials or documents of a present or former employer of Advisor, or any materials or documents obtained by Advisor from any third party under an obligation of confidentiality, unless such materials or documents are generally available to the public or Advisor has authorization from such present or former employer or third party for the possession and unrestricted use of such materials. Advisor understands that Advisor is not to breach any obligation of confidentiality that Advisor has to any present or former employers or other third party.

10. Term and Termination.

(a) This Agreement shall commence on the Effective Date and shall continue until terminated as set forth herein (the ***"Term"***).

(b) Either Party may terminate this Agreement at any time and for any reason by giving no less than thirty (30) days prior written notice to the other Party, however the Company agrees if such termination does not involve a material breach of this agreement the Company will be obligated to provide compensation for the twelve months guaranteed fee. In addition, the Company shall have the right to terminate this Agreement immediately and without prior notice should Advisor materially breach any term of this Agreement.

(c) Upon the termination of this Agreement for any reason, unless the Parties expressly agree otherwise in writing, Advisor shall immediately resign from his position as Executive Chairman of the Board and from any other positions he may hold with the Company.

(d) Upon termination of this Agreement for any reason, Advisor shall promptly deliver to the Company all Company property, documents and other materials of any nature in his possession, including but not limited to any documents or other items containing or pertaining to any Proprietary Information.

(e) The obligations set forth in Sections 4, 5, 6, 9 and 10 will survive any termination or expiration of this Agreement.

11. Miscellaneous.

(a) The rights and liabilities of the Parties hereto shall bind and inure to the benefit of their respective successors, heirs, executors and administrators, as the case may be; provided, however, that, as the Company has specifically contracted for Advisor's Services, Advisor may not assign or delegate Advisor's obligations under this Agreement either in whole or in part without the prior written consent of the Company. The Company may assign its rights and obligations hereunder to any person or entity who succeeds to all or substantially all of the Company's business.

(b) Because Advisor may have access to and become acquainted with Proprietary Information, which has significant value to the Company, the Company shall have the right to enforce Sections 5 and/or 6 of this Agreement by injunction, specific performance or other equitable relief without prejudice to any other rights and remedies that the Company may have for a breach of Sections 5 and/or 6 of this Agreement.

(c) This Agreement shall be governed by and construed according to the laws of the State of New York, without regards to conflicts of laws rules. If any provision of this Agreement is found by a court of competent jurisdiction to be unenforceable, that provision shall be severed and the remainder of this Agreement shall continue in full force and effect.

(d) This Agreement constitutes the final, exclusive and complete understanding and agreement of the Parties with respect to the subjects addressed herein and supersedes all prior understandings and agreements between the Parties with respect to the subject matter hereof. Any waiver, modification or amendment of any provision of this Agreement shall be effective only if in writing and signed by the Parties hereto.

(e) Any notices required or permitted hereunder shall be given to the appropriate Party at the address specified below, or such other address as the Party shall specify in writing pursuant to this notice provision. Such notice shall be deemed given upon personal delivery to the appropriate address or three days after the date of mailing if sent by certified or registered mail.

(f) This Agreement may be executed in one or more counterparts each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

CORONADO BIOSCIENCES, INC.

By: /s/ Gary G. Gemignani

Name: Gary G. Gemignani
Title: COO & CFO

Address: 45 Rockefeller Plaza, Suite 2000
New York, NY 10111

/s/ Eric Rowinsky
ERIC ROWINSKY, M.D.

Address: 5 Robin Rd
Warren, NJ 07059

Rockefeller Group
Business Centers

Service Agreement
Term Sheet

DATE: MAY 21, 2010

Client Information

Client: Coronado Biosciences		Entity: Corporation	Tax ID or SS:	
Address: 45 Rockefeller Plaza, Suite 2000	City: New York	State: New York	Zip: 10111	Country: United States
Client's Telephone Number: 212-332-1667	Client's Email Address: ggemignani@coronadobiosciences.com			
Send Invoices To: Gary Gemignani	Phone Number: 212-332-1666		Fax Number: 212-332-1667	
Billing Contact Email: ggemignani@coronadobiosciences.com				
Center: 45 Rockefeller Plaza Suite 2000, New York, NY, 10111				
Commencement: June 1, 2010		Expiration: August 31, 2010		
Recurring terms: 3 Months	Notice Period: 60 Days prior to end of term	Escalation Date Annually: June 1		Escalation Rate: 10.00%
Referred by: N/A		Name: N/A		

Office Fees

Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate
38	1	$2,600.00									
53	1	$3,700.00									
54	1	$3,700.00									
55	1	$2,800.00									

Technology	Quantity	Rate	Extension	Start-Up
Phone	4	$125.00	$500.00	$300.00
Shared T1 Internet	4	$110.00	$440.00	$300.00
eFax	1	$40.00	$40.00	$75.00

Miscellaneous	Quantity	Rate	Extension	Start-Up
FREE HOURS of Conference Room Time/Month	5	$0.00	$0.00	$0.00

COMMENTS

Account #10259: Coronado Biosciences -- new business venture. Terms: Three-month cycle; 60-day notification required within current three-month term to terminate or the next three month responsibility applies (automatic roll over); Two-month retainer is due at signing -- retainer is held on file and returned 60-days after departure; FREE Conference room hours: 5/month (use or lose policy)

Initial Charges

Other:		
Key/Access Card Included	@ Each	
Start-up Fee:		$900.00
Recurring Monthly Charge:		$13,780.00
Service Retainer: "2" months:		$27,560.00
INITIAL CHARGES DUE AT SIGNING:		$42,240.00

**Please note that this agreement does not end automatically. To end this agreement, please refer to the terms and conditions of section 18.*
***By signing this agreement you agree to our Service Agreement Terms and Conditions attached hereto.*
****Special Promotions and pricing do not apply to Agreements already in effect.*

Coronado Biosciences

By:_____ Date:_____
Name: Mr. Gary Gemignani

Rockefeller Group Business Centers, Inc.

By:_____ Date:_____
Name: Margaret M. Myhan
Title: General Manager

Title: Chief Operation Officer/Chief Financial Officer

Initials_____

1. STANDARD SERVICES

A. OFFICE ACCOMODATION. As a Client you have a license to use the office(s) assigned to you. You also have shared use of common areas in the Center. You have access to your office(s) twenty-four (24) hours a day, seven (7) days a week. Your office(s) comes with standard office furniture. Our building provides office cleaning, maintenance services, electric, heating and air conditioning to the Center during normal business hours as determined by the landlord for the building.

You will be asked to sign an inventory of all accommodation(s), furniture and equipment you are permitted to use, together with a note of its condition, and an acknowledgement of the keys or entry cards issued to you and specified on the first page of this Agreement (the "Term Sheet"),

You shall not install any furniture or office equipment, cabling, internet or telecom connections without our consent, which we may refuse at our absolute discretion.

We reserve the right to relocate you to another office in the Center from time to time. If we exercise this right it will only be to an office of equal or larger size and configuration and we will attempt to obtain your approval with respect to such new office(s) in advance. Any such relocation will be at our expense. Additionally, we may show the offices(s) to prospective Clients and will use reasonable efforts not to disrupt your business.

B. SERVICES. In addition to an office, we provide you with certain services on an as requested basis, subject to the availability of RGBC staff . We will not be responsible for any delay in service due to the unavailability of such staff. The fee schedule for these services is available upon request and may be updated from time to time. The fees are charged to your account and are payable on the monthly billing date. You agree to pay all charges authorized by you or your employees.

If you request the use of services outside of the Center's normal opening hours, we will try to accommodate you, subject to the availability of RGBC staff. If we decide in our sole discretion that a request for any particular service is excessive, we reserve the right to charge an additional fee at our usual published rates based on the time taken to complete such service.

RGBC and its designees are the only service providers authorized to provide services in the Center. You agree that neither you nor your employees will solicit other clients of the Center or other outside parties to provide any service provided by RGBC, its affiliates or its designees, or otherwise.

C. INTERNET ACCESS. You must pay service fees for each device connected to Internet service.

Internet service and any other service provided to you may only be used for lawful purposes. Transmission or storage of any information, data, or material in violation of any US federal, state or local law is prohibited. You are prohibited from using our internet access or our network to transmit threatening material or transmit or receive obscene material. You must comply with any copyright notices, license terms or other notices appearing on screen or any part of any material on the internet or our network. You must not copy, use or exploit such material in any way, unless we have explicitly given you permission to do so. Anyone seeking to send a Notification of Claimed Infringement pursuant to the Digital Millennium Copyright Act of 1998 must send notification to RGBC'S Designated Agent, Parkin Lee, Rockefeller Group Business Centers, Inc., I7th floor, 1221 Avenue of the Americas, New York, NY 10020-1095, by telephone at (212)282-2000, by fax at (212) 282-2005, or by email to growden@rockgrp.com. You must strictly comply with the terms of any permissions which

advance in full on the 1st of every month. You will be charged a late fee equivalent to 5% of the balance due, if payment is not received by the 5th of every month. If you dispute any portion of the charges on your bill, you agree to pay the undisputed portion on the designated payment date. You agree that charges must be disputed within ninety (90) days or you waive your right to dispute such charges.

You agree to pay promptly all (i) sales, use, excise and any other taxes, surcharges or license fees which you are required to pay to any governmental authority (and, at our request, will provide to us evidence of such payment), and (ii) any taxes paid by us attributable to your accommodation, including, without limitation, any gross receipts, rent and occupancy taxes, surcharge fees or tangible personal property taxes.

You will pay a fee of $100.00 (or the maximum amount permitted by law) for the return of any payment for insufficient funds.

3. SERVICE RETAINER. When you sign this Agreement you are required to pay a Service Retainer as part of your initial charges as security for the performance of your obligations under this Agreement. The Service Retainer will not be kept in a separate account from other funds of RGBC and no interest will be paid to you on this amount. The Service Retainer may be applied to outstanding charges at any time at our discretion. We have the right to require that you replace retainer funds that we apply to your charges and to increase retainer funds if (i) you frequently fail to pay us on time or (ii) your outstanding fees exceed the Service Retainer held. At the end of the term of this Agreement, if you have satisfied all of your payment obligations, we will refund your Service Retainer within sixty (60) days thereafter.

4. USE OF OFFICE ACCOMODATION. You agree to use our offices, services and facilities in accordance with the provisions of this Agreement as a first-class office and only for the approved purpose you have stated to us or to which we have otherwise agreed.

You shall not, without our prior written consent: (i) store or operate in the office(s) or the Center any computer (excepting a personal computer) or any other large business machine, reproduction equipment, heating equipment, stove, radio, stereo equipment or other mechanical amplification equipment, vending or coin operated machine, refrigerator or coffee equipment; (ii) conduct a mechanical business in the office(s) or the Center, (iii) store or cook food within the office(s) or the Center, or use or allow to be used in the building, oil burning fluids, gasoline, kerosene for heating, warming or lighting; (iv) use the office(s) or the Center as a distribution, assembly or shipping center for goods or merchandise or for manufacturing or storage of merchandise except as such storage may be incidental to general office purposes; (v) occupy or permit any portion of the office(s) or the Center to be occupied or used for the manufacture, sale, gift or use of liquor, narcotics or tobacco in any form or (vi) use the office(s) or any part of the Center for lodging or sleeping or for any immoral or illegal purposes. No article deemed hazardous on account of fire or any explosives shall be brought into the Center, No behavior, noise or odor, which, in our judgment, might disturb other clients or other occupants of the building shall be permitted in the office(s). No fire arms shall be permitted.

You agree to use the office(s), services and facilities as required by laws, ordinances and regulations which apply to your operations, including those which require you to have licenses and/or permits. Neither you as Client nor any occupant of the offices) shall use the words *"Rockefeller Group Business Censers",* or any simulation thereof, for any purpose whatsoever, including (but not limited to) as or for any corporate, firm or trade name, trademark, or designation or description of merchandise or

we give. We have the right to suspend internet or network service at any time if your use violates any laws or the provisions of this Agreement.

With respect to e-mail usage from our Internal service, it is explicitly prohibited to do any of the following: sending unsolicited commercial, advertising and informational mail messages: using another site's mail server to relay mail without the express permission of that site; sending emails that make it appear as though the e-mail is sourced from another source's server, even if permission has been received; falsifying addressing information or otherwise modifying headers to conceal the sender's identity; sending messages that threaten or promise breaches of the peace, acts of terror, war, civil disturbance or violence; sending messages that harass or intimidate other users; sending mass electronic messages or "mail-bombing" (sending mass unsolicited mail or deliberately sending very large attachments to one recipient); and sending the same or substantially similar unsolicited email message, whether commercial or not, to 100 or more recipients. Also, when using our Internet service, posting the same or similar message to one or more newsgroups (excessive cross-posting or multiple-posting, also known as "SPAM") is prohibited.

We do not make any representations as to the security of our network (or the internet) or any information that you place on it. You should employ whatever security measures (such as encryption) you believe are appropriate for your protection.

We cannot guarantee that a particular degree of availability will be attained in connection with your use of the internet or network services.

You hereby warrant to us that our provision of these services to you will not infringe upon the rights of any third parties.

We warrant that the services shall be provided and performed in a professional and workmanlike manner. If we fail to provide the services as warranted, your sole and exclusive remedy shall be the remedy of such failure by us within a reasonable time after written notice.

The above warranty is in lieu of all other terms, conditions and warranties, whether express or implied by usage, custom, statute or otherwise pertaining to the services and manner in which we perform our obligations and exercise our right including, but without prejudice to the generality of the foregoing such as relate to the description, performance, quality, suitability or fitness for any particular purposes, of the services. We do not warrant that the services will be uninterrupted or error free.

2. PAYMENTS. You agree to pay (i) the initial charges set forth on the Term Sheet upon execution of this Agreement and (ii) your Recurring Monthly Charges and additional service fees, and all applicable sales and use taxes on services to be provided in the following month in

services.

5. NAME AND ADDRESS. You may only carry on that business in your name or some other name upon which we previously agree. At your request and cost we will include that name in the house directory at the Center, where this is available. You must not put up any signs on the doors to your office(s) or anywhere else which is visible from outside the office(s) you are using. You may use the Center address as your business address. You acknowledge that you have read and understood United States Post Office Form #1583 and understand that in the event your use of this address terminates, it will he your responsibility to notify all parties of the termination of the use of the Center's address. If this Agreement terminates or any or all of the Monthly Charges and additional service fees are not paid when due, RGBC may terminate your right to use the Center's address and at RGBC's election, and upon reasonable notice, may either (i) return all mail to senders or (ii) destroy said mail.

6. ACCESS TO YOUR OFFICE ACCOMODATION. We may enter your office(s) at any time. However, unless there is an emergency, we will as a matter of courtesy try to inform you in advance when we need access to carry out testing, repair or work other than routine inspection, cleaning and maintenance. We will also use reasonable efforts to comply with security procedures in order to protect the confidentiality of your business.

7. OUR PROPERTY. You must take good care of and not damage or make any changes to the office, facilities, furnishings and equipment we provide to you or remove any of such furnishings and equipment from the office(s). At the end of this Agreement, you must deliver the same to us in good condition, normal wear and tear excepted. If any damage (beyond normal wear and tear) to our property should occur while in your care, custody or control, you agree to pay reasonable repair/replacement costs and to notify us immediately upon such damage occurring, but no later than 8 hours later. You are liable for any damage caused by you or those in the Center with your permission or at your invitation.

8. KEYS AND SECURITY. Any keys or entry cards which we let you use remain our property at all times. You must not take any copies of them or allow anyone else to use them without our consent. Any loss must be reported to us immediately and you must pay the cost of replacement keys or cards and or changing locks, if required.
You must not place any additional locks or bolts of any kind upon any of the doors or windows of the Center nor make any changes to existing locks or the mechanisms thereof.

9. COMPLIANCE WITH LAW. You must comply with all relevant laws and regulations in the conduct of your business. You must do nothing illegal. You must not do anything that interferes with the use of the Center by RGBC or by anyone else, cause any nuisance or annoyance, increase insurance premiums payable by RGBC or its affiliates or cause loss or damage to us or to the owner of any interest in the building in which the Center is located. If you

Initials_____

do not comply with the provisions of this paragraph, we may immediately terminate this Agreement or any other agreement you have with us.

10. CONDUCT. You acknowledge that RGBC is and will continue to be an equal opportunity employer and that RGBC prohibits any form of discrimination in employment, against any of its employees (whether by its employees, its clients, including you, or others), including, on the basis of race, color, creed, religion, age, gender, marital status, sexual orientation, national origin, or disability, or other characteristics protected by law. In recognition of this policy, you and your officers, directors, employees, shareholders, partners, agents, representatives, contractors, customers, or invitees shall be prohibited from participating in any type of harassing or abusive behavior to employees of RGBC or it affiliates, other clients or invitees, verbal or physical in the Center for any reason. You further agree, upon the request of RGBC, to cooperate with RGBC in its efforts to enforce and maintain its equal employment opportunity, non-discrimination and anti-harassment policies. RGBC may immediately terminate this Agreement if you or any of your staff engage in any behavior that RGBC deems is contrary to its policies. Notwithstanding the above, you will indemnify and hold harmless RGBC for any and all damages, costs, liabilities, and reasonable attorneys' fees incurred by it under applicable employment non-discrimination laws (whether federal, state or local) as a result of your or any of your staff's conduct toward RGBC's employees or other users or occupants of the Center and/or failure to comply with your obligations hereunder.

11. DAMAGES AND INSURANCE. You are responsible for any damage you cause to the Center or your office(s) beyond normal wear and tear. We have the right to inspect the condition of the office from time to time and make any necessary repairs.

You are responsible for arranging insurance for your personal property against all risks and for your liability to and for your employees and third parties. You have the risk of damage, loss, theft or misappropriation with respect to any of your personal property and liability to and for your employees and third parties. You agree to waive any right of recovery against RGBC, its directors, officers and employees for any damage, loss, theft or misappropriation of your property under your control and any liability to and for your employees and third parties. All property in your office(s) is understood to be under your control.

12. **INDEMNITIES.** You must indemnify us with respect to all liability, claims, damages, loss and expenses which may arise (except to the extent caused by our gross negligence or willful misconduct):

(i) if someone dies or is injured while in the accommodation you are using;

(ii) from a third party in respect of your use of the Center and the services; or

(iii) if you do not comply with the terms of your Agreement.

You must also pay any costs, including reasonable legal fees, which we incur in enforcing your Agreement.

13. **OUR LIMITATION OF LIABILITY.** You acknowledge that due to the imperfect nature of verbal, written and electronic communications, neither RGBC nor its affiliates, its landlord or any of their respective officers, directors, employees, partners, agents or representatives shall be responsible for damages, direct or consequential, that may result from the failure of RGBC to furnish any service, including but not limited to the service of conveying messages, communications and other utility or services. Your sole remedy and RGBC's sole obligation for any failure to render any service, any error or omission, or any delay or interruption of any service, is limited to an adjustment to your bill in an amount equal to the charge for such service for the period during which the failure, delay or interruption continues.

your obligations hereunder and/or RGBC's rights in or to the office(s), shall be paid by you to RGBC upon demand. If any fees or damages payable under this Agreement are not paid within five (5) days after the date on which they are due, the same shall be subject to a late charge equal to five (5%) percent of the amount due. RGBC reserves the right, without liability to you, to suspend furnishing or rendering of services to you if you are in arrears in paying any such amounts.

18. TERMINATION. The term of this Agreement shall last for the period of time stated on the Term Sheet and will then be automatically extended for the period(s) of time outlined on the Term Sheet, unless either party terminates in accordance with the Notice Period set forth on the Term Sheet (or with sixty (60) days prior notice in the event three (3) or more offices are assigned to you at any time under this Agreement and/or any other agreement with RGBC). The Monthly Charges will automatically increase on an annual basis in accordance with the Term Sheet. In all other respects, your Agreement will renew on the same terms and conditions as contained herein.

RGBC has the right to immediately terminate this Agreement upon notice it: 1) you become insolvent, go into liquidation or become unable to pay your debts as they fall due; *2)* you are in breach of one of your obligations which cannot be put right or which we have given you notice to put right and which you have failed to put right within ten (10) business days of that notice; or 3) your conduct, or that of someone at the Center with your permission or at your invitation, is incompatible with ordinary office use.

If we put an end to this Agreement for any of these reasons above it does not put an end to any then outstanding obligations you may have and you must: 1) pay for additional services you have used; 2) pay the Monthly Charges for the remainder of the period for which your Agreement would have lasted had we not ended it or for a further period of three months (whichever is earlier), and 3) indemnify us against all costs and losses we incur as a result of the termination.

19. RESTRICTION ON HIRING. Our employees are an essential part of our ability to deliver our services. You acknowledge this and agree that, during the term of your Agreement and for six (6) months afterward, you will not hire any of our employees or others working on our behalf. If you do hire one of our employees or another person working on our behalf, you agree that actual damages would be difficult to determine and therefore you agree to pay liquidated damages in the amount of one-half of the annual base salary of the employee or other person you hire. You agree that this liquidated damage amount is fair and reasonable.

20. **RULES AND REGULATIONS.** You and your employees, agents, guests, invitees, visitors, and/or any other persons caused to be present in and around the premises by you will perform and abide by the rules and regulations set forth herein and any other rules that we may impose generally on users of the Center, whether for reasons of health and safety, or otherwise. We shall have no responsibility to you for the violation or non-performance by any of our other clients of any of the Rules and Regulations but shall use reasonable efforts to enforce all Rules and Regulations.

a. Your employees and guests shall conduct themselves in a businesslike manner; proper business attire shall be worn at all times; the noise level will be kept to a level so as not to interfere with or annoy other clients and you will abide by our directives regarding all matters common to all occupants.

b. You shall not affix anything to the windows, walls or any other part of the office(s) or the Center or make alterations or additions to the office(s) or the Center without our prior written consent.

c. You shall not prop open any corridor doors, exit doors or doors

WITH THE SOLE EXCEPTION OF THE REMEDY DESCRIBED ABOVE, YOU EXPRESSLY AND SPECIFICALLY AGREE TO WAIVE, AND AGREE NOT TO MAKE, ANY CLAIM FOR DAMAGES, DIRECT OR CONSEQUENTIAL, INCLUDING WITH RESPECT TO LOST BUSINESS OR PROFITS, ARISING OUT OF ANY FAILURE TO FURNISH ANY SERVICE, ANY ERROR OR OMISSION WITH RESPECT THERETO, OR ANY DELAY OR INTERRUPTION OF SERVICES. RGBC DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

RGBC and our affiliates and/or our landlord are not liable to you, or to anyone you invite or permit into our offices or areas, for any injury (including death), loss or damage resulting from the actions or omissions of our employees, clients, their guests, or anyone else, or resulting from any condition or failure of the offices access, facilities and/or areas provided by us. You waive all claims you may come to have against us and/or our landlord for damage or loss to your property arising from fire, theft, or other occurrences.

14. SUSPENSION **OF SERVICES.** We may by notice suspend the provision of services (including access to the Center) for reasons of political unrest, strikes, terrorism or other events beyond our or our landlord's reasonable control.

15. **LICENSE AGREEMENT. YOU ACKNOWLEDGE THAT THIS AGREEMENT IS NOT A LEASE OR ANY OTHER INTEREST IN REAL PROPERTY. IT IS A CONTRACTUAL ARRANGEMENT THAT CREATES A REVOCABLE LICENSE.** RGBC retains legal possession and control of the Center and the office(s) assigned to you. Our obligation to provide space and services to you is subject to the terms of our lease with the building. This Agreement terminates simultaneously with the termination of RGBC's master lease or the termination of the operation of Center for any reason. As our Client, you do not have any rights under our lease with the landlord. When this Agreement is terminated because the term has expired or otherwise, your license to occupy the Center is revoked. You agree to remove your personal property and leave the office as of the date of termination. We are not responsible for property left in the office after termination.

16. DEFAULT. You are in default under this Agreement if: 1) you fail to abide by the rules and regulations of the Center; 2) you do not pay your fees on the designated payment date and after written notice of this failure to pay you do not pay within five (5) days; and 3) you do not comply with the terms of this Agreement. If the default is unrelated to payment you will be given written notice of the default and you will have ten (10) days to correct the default. In the event you default on your obligations under this Agreement, you agree that RGBC may cease to provide any and all services including telephone and internet services without resort to Legal process.

17.CURING YOUR DEFAULT. If you default in the observance of any provision of this Agreement, RGBC, without waiving such default, may thereafter, without notice, perform the same for your account and at your expense. All costs and expenses incurred by RGBC in connection with any such performance and all costs and expenses, including reasonable counsel fees and disbursements incurred in any action or proceeding brought by RGBC to enforce any of

connecting corridors during or after business hours.

d. You shall only use public areas with our prior consent and those areas must be kept neat and attractive at all times.

e. You shall not obstruct corridors, halls, elevators and stairways or use them for any purpose other than egress and ingress.

f. The electrical current shall be used for ordinary lighting, powering personal computers and personal business devices only unless written permission to do otherwise shall first have been obtained from us at an agreed cost to you.

g. If you require any special installation or wiring for electrical use, telephone equipment or otherwise, such wiring shall be done at your expense by personnel designated by us.

h. You may not conduct business or use mobile phones in the hallways, reception area or any other area except in your designated office(s) without our prior written consent.

i. You shall not and shall not permit any person to bring animals other than seeing-eye dogs in the company of blind persons into the building or the Center.

j. Canvassing, soliciting and peddling in the building are prohibited and you shall not solicit other clients for any business or other purpose without our prior written consent.

k. Smoking shall be prohibited at all times in all areas of the Center, including conference rooms, training rooms, offices (whether open or closed) and workstations.

l. You shall use only telecommunications systems and services as provided by us.

21. SUBORDINATION. Your Agreement is subordinate to our lease with our landlord and to any other agreements to which our lease is subordinate.

22. **MISCELLANEOUS.**

A. All notices must be in writing and may be given by registered or certified mail, postage prepaid, overnight mail service or hand delivered with proof of delivery, addressed to RGBC or Client at the address listed on the Term Sheet.

B. If you remain in the office(s) after the expiration or termination of this Agreement without RGBC's consent, you will be required to pay as liquidated damages, for such period as you remain in the office(s), an amount equal to two times the Monthly Charges and additional service fees that you were obligated to pay for the period immediately preceding the expiration or termination of this Agreement. The term of this Agreement shall not be extended as a result of your remaining in the office(s) or paying the amounts specified herein.

C. If any provision of this Agreement or the application thereof is deemed invalid or
unenforceable, the remainder of this Agreement, or the application of such provision to
persons or circumstances other than those as to which it is invalid or unenforceable,
shall not be affected thereby, and each provision of this Agreement shall be valid and
be enforced to the fullest extent permitted by law.

Initials_____

D. If you fail to remove any property belonging to you from the office(s) or the Center after the expiration or termination of this Agreement, it shall be conclusively presumed that you have conveyed such property to RGBC under this Agreement as a bill of sale without further payment or credit by RGBC to you and we may either keep or remove such property and you shall pay all our costs of such removal upon demand.

E. You may not assign this Agreement without RGBC's prior written consent.

F. This Agreement is governed by the laws of the state in which the Center is located.

Initials_____

November 19, 2010

Mr. Gary Gemignani
Chief Operating Officer
Coronado Biosciences
45 Rockefeller Plaza, Suite 2000
New York, New York 10111

Re: Service Agreement – Office *#35*

Dear Gary:

Enclosed are two original Service Agreements covering the above-captioned premises for office *#35* which you have acquired for your confidential files.

Kindly sign all counterparts, initial and returned to me and I will then send you a fully executed copy for your file. The monies due for this office, i.e. $5,950.00, reflect the first month of recurring charges: $1,925.00 of which $l,800.00/month is for office fees and $125.00/month for a single phone which is required in every office. The traditional two-month retainer of $3,850.00 has been reflected as well. We will issue you a $100 credit for start-up, given the nature of this office. And, your last two weeks of November will appear as a pro-rated amount on your December invoice. We will not collect monies due at signing – rather include these new charges in your upcoming December invoice.

It is understood that all offers are subject to modification or withdrawal by the Licensor at any time and that the parties shall not be obligated unless and until a Service Agreement is fully executed and unconditionally delivered.

We appreciate your loyalty to RGBC!

If you have any questions, please do not hesitate to call. My best wishes to you and your family for a wonderful Thanksgiving.

Sincerely,

Margaret M. Myhan
General Manager

Enclosures

Rockefeller Group
Business Centers

Service Agreement

Term Sheet

DATE: NOVEMBER 19, 2010

Client Information

Client: Coronado Biosciences		Entity: Corporation	Tax ID or SS: 20-5157386	
Address: 45 Rockefeller Plaza, Suite 2000	City: New York	State: New York	Zip: 10111	Country: United States
Client's Telephone Number: 212-332-1666	Client's Email Address: ggemignani@coronadobiosciences.com			
Send Invoices To: Gary Gemignani; Jaclyn Jaffe	Phone Number: 212-332-1666		Fax Number: 212-332-1667	
Billing Contact Email: ggemignani@coronadobiosciences.com				
Center: 45 Rockefeller Plaza, New York, Suite 2000, NY, 10111				
Commencement: November 15, 2010		Expiration: February 28, 2011		
Recurring terms: 3 Months	Notice Period: 60 Days prior to end of term	Escalation Date: October 31		Escalation Rate: 10.00%
Referred by: Other		Name: Existing client		

Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate
35	1	$1,800.00									

Technology	Quantity	Rate	Extension	Start-Up Per Unit
Phone	1	$125.00	$125.00	$75.00

COMMENTS

Account: 10259. Office being used for Coronado storage and confidential files. Other than phone -- no other services. Start- up fee to be adjusted down $100.00; November to be pro-rated for last two weeks.

Initial Charges

Other: adjusted start-up		($100.00)
Key/Access Card Included	@ Each	
Start-up Fee:		$275.00
Recurring Monthly Charge:		$1,925.00
Service Retainer: "2" months:		$3,850.00
INITIAL CHARGES DUE AT SIGNING:		$5,950.00

**Please note that this agreement does not end automatically. To end this agreement, please refer to the terms and conditions of section 18.*

***By signing this agreement you agree to our Service Agreement Terms and Conditions attached hereto.*

****Special Pricing and Promotions do not apply to Agreements already in effect.*

Coronado Biosciences

By: _____ Date: 11/29/2010

Name: Mr. Gary Gemignani

Title: Chief Operating Officer

Rockefeller Group Business Centers

By: _____ Date: _____

Name: Margaret M. Myhan

Title: General Manager

I. STANDARD SERVICES

A. OFFICE ACCOMODATION. As a Client you have a license to use the office(s) assigned to you. You also have shared use of common areas in the Center. You have access to your office(s) twenty-four (24) hours a day, seven (7) days a week. Your office(s) comes with standard office furniture. Our building provides office cleaning, maintenance services, electric, heating and air conditioning to the Center during normal business hours as determined by the landlord for the building.

You will be asked to sign an inventory of all accomodation(s), furniture and equipment you are permitted to use, together with a note of its condition, and an acknowledgement of the keys or entry cards issued to you and specified on the first page of this Agreement (the "Term Sheet"). You shall not install any furniture or office equipment, cabling, internet or telecom connections without our consent, which we may refuse at our absolute discretion.

We reserve the right to relocate you to another office in the Center from time to time. If we exercise this right it will only be to an office of equal or larger size and configuration and we will attempt to obtain your approval with respect to such new office(s) in advance. Any such relocation will be at our expense. Additionally, we may show the offices(s) to prospective Clients and will use reasonable efforts not to disrupt your business.

B. SERVICES. In addition to an office, we provide you with certain services on an as requested basis, subject to the availability of RGBC staff. We will not *be* responsible for any delay in service due to the unavailability of such staff. The fee schedule for these services is available upon request and may be updated from time to time. The fees are charged to your account and are payable on the monthly billing date. You agree to pay all charges authorized by you or your employees.

If you request the use of services outside of the Center's normal opening hours, we will try to accommodate you, subject to the availability of RGBC staff. If we decide in our sole discretion that a request for any particular service is excessive, we reserve the right to charge an additional fee at our usual published rates based on the time taken to complete such service. RCBC and its designers are the only *service* providers authorized to provide services in the Center. You agree that neither you nor your employees will solicit other clients of the Center or other outside parties to provide any service provided by RGBC, its affiliates or its designees, or otherwise.

C. INTERNET ACCESS. You must pay service fees for each device connected to Internet service.

Internet service and any other service provided to you may only be used for lawful purposes. Transmission or storage of any information, data, or material in violation of any US federal, state or local law is prohibited. You are prohibited from using our internet access or our network to transmit threatening material or transmit or receive obscene material. You must comply with any copyright notices, license terms or other notices appearing on screen or any part of any material on the internet or our network. You must not copy, use or exploit such material in any way, unless we have explicitly given you permission to do so. Anyone seeking *to* send a Notification of Claimed Infringement pursuant to the Digital Millennium Copyright Act of 1998 must send notification to RGBC's Designated Agent, Parkin Lee, Rockefeller Group Business Centers, Inc., 17th floor, 1221 Avenue of the Americas, New York, NY 10020-1095, by telephone at (212)282-2000, by fax at (212)282-2005, or by email to growden@rockgrp.com. You must strictly comply with the terms of any permissions which we give. We have the tight to suspend internet or network service at any time if your use violates any laws or the provisions of this

You agree to pay promptly all (i) sales, use, excise and any other taxes, surcharges or license fees which you are required to pay to any governmental authority (and, at our request, will provide to us evidence of such payment), and (ii) any taxes paid by us attributable to your accommodation, including, without limitation, any gross receipts, rent and occupancy taxes, surcharge fees or tangible personal property taxes.

You will pay a fee of $100.00 (or the maximum amount permitted by law) for the return of any payment far insufficient funds.

3.SERVICE RETAINER. When you sign this Agreement you are required to pay a Service Retainer as part of your Initial charges as security for the performance of your obligations under this Agreement. The Service Retainer will not be kept in a separate account from other funds of RGBC and no interest will be paid to you on this amount. The Service Retainer may be applied to outstanding charges at any time at our discretion. We have the right to require that you replace retainer funds that we apply to your charges and to increase retainer funds If (i) you frequently fail to pay us on time or (ii) your outstanding fees exceed the Service Retainer held. At the end of the term of this Agreement. If you have satisfied all of your payment obligations, we will refund your Service Retainer within sixty (60) days thereafter.

4.USE OF OFFICE ACCOMODATION. You agree to use our offices, services and facilities in accordance with the provisions of this Agreement as a first-class office and only for the approved purpose you have stated to us or to which we have otherwise agreed.

You shall not, without our prior written consent: (i) store or operate in the office(s) or the Center any computer (excepting a personal computer) or any other large business machine, reproduction equipment, healing equipment, stove, radio, stereo equipment or other mechanical amplification equipment, vending or coin operated machine, refrigerator or coffee equipment; (ii) conduct a mechanical business in the office(s) or the Center; (iii) store or cook food within the office(s) or the Center, or use or allow to be used in the building, oil burning fluids, gasoline, kerosene for heating, warming or lighting; (iv) use the office(s) or the Center as a distribution, assembly or shipping center for goods or merchandise or for manufacturing or storage of merchandise except as such storage may be incidental to general office purposes; (v) occupy or permit any portion of the office(s) or the Center to be occupied or used for the manufacture, sale, gift or use of liquor, narcotics or tobacco in any form or (vi) use the office(s) or any part of the Center for lodging or sleeping or for any immoral or illegal purposes. No article deemed hazardous on account of fire or any explosives shall be brought into the Center. No behavior, noise or odor, which, in our judgment, might disturb other clients or other occupants of the building shall be permitted in the office(s). No fire arms shall be permitted.

Your agree to use the office(s), services and facilities as required by laws, ordinances and regulations which apply to your operations, including those which require you to have licenses and/or permits. Neither you as Client nor any occupant of the office(s) shall use the words "*Rockefeller Group Business Centers",* or any simulation thereof, for any purpose whatsoever, including (but not limited to) as or for any corporate, firm or trade name, trademark or designation or description of merchandise of services.

5.NAME AND ADDRESS. You may only carry on that business in your name or some other name upon which we previously agree. At your request and cost we will include that name in the house directory at the Center, where this is available. You must not put up any signs on the doors to your office(s) or anywhere else which is visible from outside the office(s) you are using. You

Agreement.

With respect to e-mail usage from our Internet service, it is explicitly prohibited to do any of the following: sending unsolicited commercial, advertising and informational mail messages; using another site's mail server to relay mail without the express permission of that site; sending emails that make it appear as though the e-mail is sourced from another source's server, even if permission has been received; falsifying addressing information or otherwise modifying headers to conceal the sender's identity; sending messages that threaten or promise breaches of the peace, acts of terror, war, civil disturbance or violence; sending messages that harass or intimidate other users; sending mass electronic messages or "mail-bombing" (sending mass unsolicited mail or deliberately sending very large attachments to one recipient); and sending the same or substantially similar unsolicited email message, whether commercial or not, to 100 or more recipients. Also, when using our Internet service, posting the same or similar message to one or more newsgroups (excessive cross-posting or multiple-posting, also known as "SPAM") is prohibited.

We do not make any representations *as to* the security of our network (or the internet) or any information that you place on it. You should employ whatever security measures (such as encryption) you believe are appropriate for your protection.

We cannot guarantee that a particular degree of availability will be attained in connection with your use of the internet or network services.

You hereby warrant to us that our provision of these services to you will not infringe upon the rights of any third parties.

We warrant that the services shall be provided and performed in a professional and workmanlike manner. If we fail to provide the services as warranted, your sole and exclusive remedy shall be the remedy of such failure by us within a reasonable time after written notice. The above warranty is in lieu of all other terms, conditions and warranties, whether express or implied by usage, custom, statute or otherwise pertaining to the services and manner in which we perform our obligations and exercise our right including, but without prejudice to the generality of the foregoing such as relate to the description, performance, quality, suitability or fitness for any particular purposes, of the services. We do not warrant that the services will be uninterrupted or error free.

2. PAYMENTS. You agree to pay (i) the initial charges *set* forth on the Term Sheet upon execution of this Agreement and (ii) your Recurring Monthly Charges and additional service fees, and all applicable sales and use taxes on services to be provided in the following month in advance in full on the 1st of every month. You will be charged a late fee equivalent to 5% of the balance due, if payment is not received by the 5th of every month. If you dispute any portion of the charges on your bill, you agree to pay the undisputed portion on the designated payment date. You agree that charges must be disputed within ninety (90) days or you waive your right to dispute such charges.

may use the Center address as your business address. You acknowledge that you have read and understood United States Post Office Form #1583 and understand that in in the event your use of this address terminates, it will be your responsibility to notify all parties of the termination of the use of the Center's address. If this Agreement terminates or any or all of (he Monthly Charges and additional service fees are not paid when due, RGBC may terminate your right to use the Center's address and at RGBC's election, and upon reasonable notice, may either (i) return all mail to senders or (ii) destroy said mail.

6.ACCESS TO YOUR OFFICE ACCOMODATION. We may enter your office(s) at any time. However, unless there is an emergency, we will as a matter of courtesy try to inform you in advance when we need access to carry out testing, repair or work other than routine inspection, cleaning and maintenance. We will also use reasonable efforts to comply with security procedures in order to protect the confidentiality of your business.

7.OUR PROPERTY. You must take good care of and not damage or make any changes to the office, facilities, furnishings and equipment we provide to you or remove any of such furnishings and equipment from the office(s). At the end of this Agreement, you must deliver the same to us in good condition, normal wear and tear excepted. If any damage (beyond normal wear and tear) to our property should occur white in your care, custody or control, you agree to pay reasonable repair/replacement costs and to notify us immediately upon such damage occucring, but no later than 8 hours laler. You are liable for any damage caused by you or those in the Center with your permission or at your invitation.

8. KEYS AND SECURITY. Any keys or entry cards which we let you use remain our property at all times. You must not take any copies of them or allow anyone else to use them without our consent. Any loss must be reported to us immediately and you must pay the cost of replacement keys or cards and or changing locks, if required.

You must not place any additional locks or bolts of any kind upon any of the doors or windows of the Center nor make any changes to existing locks or the mechanisms thereof.

9. COMPLIANCE WITH LAW. You must comply with all relevant laws and regulations in the conduct of your business. You must do nothing illegal. You must not do anything that interferes with the use of the Center by RGBC or by anyone else, cause any nuisance or annoyance, increase insurance premiums payable by RGBC or its affiliates or cause loss or damage to us or to the owner of any interest in the building in which the Center is located. If you do not comply with the provisions of this paragraph, we may immediately terminate this Agreement or any other agreement you have with us.

10. CONDUCT. You acknowledge that RGBC is and will continue to be an equal opportunity employer and that RGBC prohibits any form of discrimination in employment, against any of its employees (whether by its employees, its clients, including you, or others), including, on the basis of race, color, creed, religion, age, gender, marital status, sexual orientation, national origin, or disability, or other characteristics protected by law. In recognition of this policy, yon and your officers, directors, employees, shareholders, partners, agents, representatives, contractors,

Initials 

customers, or invitees shall be prohibited from participating in any type of harassing or abusive behavior to employees of RGBC or it affiliates, other clients or invitees, verbal or physical in the Center for any reason. You further agree, upon the request of RGBC, to cooperate with RGBC in its efforts to enforce and maintain its equal employment opportunity, non-discrimination and anti-harassment policies. RGBC may immediately terminate this Agreement if you or any of your staff engage in any behavior that RGBC deems is contrary to its policies.

Notwithstanding the above, you will indemnify and hold harmless RGBC for any and all damages, costs, liabilities, and reasonable attorneys' fees incurred by it under applicable employment non-discrimination laws (whether federal, state or local) as a result of your or any of your staffs conduct toward RGBC's employees or other users or occupants of the Center and/or failure to comply with your obligations hereunder.

11. DAMAGES AND INSURANCE. You are responsible for any damage you cause to the Center or your office(s) beyond normal wear and tear. We have the right to inspect the condition of the office from time to time and make any necessary repairs.

You are responsible for arranging insurance for your personal property against all risks and for your liability to and for your employees and third parties. You have the risk of damage, loss, theft or misappropriation with respect to any of your personal property and liability to and for your employees and third parties. You agree to waive any right of recovery against RGBC, its directors, officers and employees for any damage, loss, theft or misappropriation of your property under your control and any liability to and for your employees and third parties. All property in your office(s) is understood to be under your control.

12. INDEMNITIES. You must indemnify us with respect to all liability, claims, damages, loss and expenses which may arise (except to the extent caused by our gross negligence or willful misconduct):

(i) if someone dies or is injured while in the accommodation you are using;

(ii) from a third party in respect of your use of the Center and the services; or

(iii) if you do not comply with the terms of your Agreement.

You must also pay any costs, including reasonable legal fees, which we incur in enforcing your Agreement.

13. OUR LIMITATION OF LIABILITY. You acknowledge that due to the imperfect nature of verbal, written and electronic communication, neither RGBC nor its affiliates, its landlord or any of their respective officers, directors, employees, partners, agents or representatives shall be responsible for damages, direct or consequential, that may result from the failure of RGBC to furnish any service, including but not limited to the service of conveying messages, communications and other utility or services. Your sole remedy and RGBC's sole obligation for any failure to render any service, any error or omission, or any delay or interruption of any service, is limited to an adjustment to your bill in an amount equal to the charge for such service for the period during which the failure, delay or interruption continues.

WITH THE SOLE EXCEPTION OF THE REMEDY DESCRIBED ABOVE, YOU EXPRESSLY AND SPECIFICALLY AGREE TO WAIVE, AND AGREE NOT TO MAKE, ANY CLAIM FOR DAMAGES, DIRECT OR CONSEQUENTIAL, INCLUDING WITH RESPECT TO LOST BUSINESS OR PROFITS, ARISING OUT OF ANY FAILURE TO FURNISH ANY SERVICE, ANY ERROR OR OMISSION

18. TERMINATION. The term of this Agreement shall last for the period of time stated on the Term Sheet and will then be automatically extended for the period(s) of time outlined on the Term Sheet, unless either party terminates in accordance with the Notice Period set forth on the Term Sheet (or with sixty (60) days prior notice in the event three (3) or more offices are assigned to you at any time under this Agreement and/or any other agreement with RGBC). The Monthly Charges will automatically increase on an annual basis in accordance with the Term Sheet. In all other respects, your Agreement will renew on the same terms and conditions as contained herein.

RGBC has the right to immediately terminate this Agreement upon notice if: 1) you become insolvent, go into liquidation or become unable to pay your debts as they fall due; 2) you are in breach of one of your obligations which cannot be put right or which we have given you notice to put right and which you have failed to put right within ten (10) business days of that notice; or 3) your conduct, or that of someone at the Center with your permission or at your invitation, is incompatible with ordinary office use.

If we put an end to this Agreement for any of these reasons above it does not put an end to any then outstanding obligations you may have and you must: l)pay for additional services you have used: 2) pay the Monthly Charges for the remainder of the period for which your Agreement would have lasted had we not ended it or for a further period of three months (whichever is earlier), and 3) indemnify us against all costs and losses we incur as a result of the termination.

19. RESTRICTION ON HIRING. Our employees are an essential part of our ability to deliver our services. You acknowledge this and agree that, during the term of your Agreement and for six (6) months afterward, you will not hire any of our employees or others working on our behalf. If you do hire one of our employees or another person working on our behalf, you agree that actual damages would be difficult to determine and therefore you agree to pay liquidated damages in the amount of one-half of the annual base salary of the employee or other person you hire. You agree that this liquidated damage amount is fair and reasonable.

20. RULES AND REGULATIONS. You and your employees, agents, guests, invitees, visitors, and/or any other persons caused to be present in and around the premises by you will perform and abide by the rules and regulations set forth herein and any other rules that we may impose generally on users of the Center, whether for reasons of health and safety, or otherwise. We shall have no responsibility to you for the violation or non-performance by any of our other clients of any of the Rules and Regulations but shall use reasonable efforts to enforce all Rules and Regulations.

a. Your employees and guests shall conduct themselves in a businesslike manner; proper business attire shall be worn at all times; the noise level will be kept lo a level so as not to interfere with or annoy other clients and you will abide by our directives regarding all matters common to all occupants.

b. You shall not affix anything to the windows, walls or any other part of the office(s) or the Center or make alterations or additions to the office(s) or the Center without our prior written consent.

c. You shall not prop open any corridor doors, exit doors or doors connecting corridors during or after business hours.

d. You shall only use public areas with our prior consent and those areas must be kept neat and attractive at all times.

e. You shall not obstruct corridors, halls, elevators and stairways or use them for any purpose other than egress and ingress.

WITH RESPECT THERETO, OR ANY DELAY OR INTERRUPTION OF SERVICES. RGBC DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

RGBC and our affiliates and/or our landlord are not liable to you, or to anyone you invite or permit into our offices or areas, for any injury (including death), loss or damage resulting from the actions or omissions of our employees, clients, their guests, or anyone else, or resulting from any condition or failure of the offices access, facilities and/or areas provided by us. You waive all claims you may come to have against us and/or our landlord for damage or loss to your property arising from fire, theft, or other occurrences.

14. SUSPENSION OF SERVICES. We may by notice suspend the provision of services (including access to the Center) for reasons of political unrest, strikes, terrorism, Act's of God or other events beyond our or our landlord's reasonable control.

15. LICENSE AGREEMENT. YOU ACKNOWLEDGE THAT THIS AGREEMENT IS NOT A LEASE OR ANY OTHER INTEREST IN REAL PROPERTY. IT IS A CONTRACTUAL ARRANGEMENT THAT CREATES A REVOCABLE LICENSE. RGBC retains legal possession and control of the Center and the office(s) assigned to you. Our obligation to provide space and services to you is subject to the terms of our lease with the building. This Agreement terminates simultaneously with the termination of RGBC's master lease or the termination of the operation of Center for any reason. As our Client, you do not have any rights under our lease with the landlord. When this Agreement is terminated because the term has expired or otherwise, your license to occupy the Center is revoked. You agree to remove your personal property and leave the office as of the date of termination. We are not responsible for property left in the office after termination.

16. DEFAULT. You are in default under this Agreement if: 1) you fail to abide by the rules and regulations of the Center; 2) you do not pay your fees on the designated payment data and after written notice of this failure to pay you do not pay within five (5) days; and 3) you do not comply with the terms of this Agreement. If the default is unrelated to payment you will be given written notice of the default and you will have ten (10) days to correct the default.

In the event you default on your obligations under this Agreement, you agree that RGBC may cease to provide any and all services including telephone and internet services without resort to legal process Additionally, RGBC shall have all rights and remedies for such default pursuant to the state in which the Center is located.

17. CURING YOUR DEFAULT. If you default in the observance of any provision of this Agreement, RGBC, without waiving such default, may thereafter, without notice, perform the same for your account and at your expense. All costs and expenses incurred by RGBC in connection with any such performance and all costs and expenses, including reasonable counsel fees and disbursements incurred in any action or proceeding brought by RGBC to enforce any of your obligations hereunder and/or RGBC's rights in or to the office(s), shall be paid by you to RGBC upon demand. If any fees or damages payable under this Agreement are not paid within five (5) days after the date on which they are due, the same shall be subject to a late charge equal to five (5%) percent of the amount due. RGBC reserves the right, without liability to you, to suspend furnishing or rendering of services to you if you are in arrears in paying any such amounts.

f. The electrical current shall be used for ordinary lighting, powering personal computers and personal business devices only unless written permission to do otherwise shall first have been obtained from us at an agreed cost to you.

g. If you require any special installation or wiring for electrical use, telephone equipment or otherwise, such wiring shall be done at your expense by personnel designated by us.

h. You may not conduct business or use mobile phones in the hallways, reception area or any other area except in your designated office(s) without our prior written consent.

i. You shall not and shall not permit any person to bring animals other than seeing-eye dogs in the company of blind persons into the building or the Center.

j. Canvassing, soliciting and peddling in the building are prohibited and you shall not solicit other clients for any business or other purpose without our prior written consent.

k. Smoking shall be prohibited at all times in all areas of the Center, including conference rooms, training rooms, offices (whether open or closed) and workstations.

I. You shall use only telecommunications systems and services as provided by us.

21. SUBORDINATION. Your Agreement is subordinate to our lease with our landlord and to any other agreements to which our lease is subordinate.

22. MISCELLANEOUS.

A. All notices must be in writing and may be given by registered or certified mail, postage prepaid, overnight mail service or hand delivered with proof of delivery, addressed to RGBC or Client at the address listed on the Term Sheet.

B. If you remain in the office(s) after the expiration or termination of this Agreement without RGBC's consent, you will be required to pay as liquidated damages, for such period as you remain in the office(s), an amount equal to two times the Monthly Charges and additional service fees that you were obligated to pay for the period immediately preceding the expiration or termination of this Agreement. The term of this Agreement shall not be extended as a result of your remaining in the office(s) or paying the amounts specified herein.

C. If any provision of this Agreement or the application thereof is deemed invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances oilier than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

D. If you fail to remove any property belonging to you from the office(s) or the Center after the expiration or termination of this Agreement, it shall be conclusively presumed that you have conveyed such property to RGBC under this Agreement as a bill of sale without further payment or credit by RGBC to you and we may either keep or remove such property and you shall pay all our costs of such removal upon demand.

E. You may not assign this Agreement without RGBC's prior written consent.

F. This Agreement is governed by the laws of the state in which lite Center is located.

Initials 

United States Postal Service®

Application for Delivery of Mail Through Agent

See Privacy Act Statement on Reverse

1. Date: November 19, 2010

In consideration of delivery of my or our (firm) mail to the agent named below, the addressee and agent agree: (1) the addressee or the agent must not file a change of address order with the Postal Service™ upon termination of the agency relationship; (2) the transfer of mail to another address is the responsibility of the addressee and the agent; (3) all mail delivered to the agency under this authorization must be prepaid with new postage when re-deposited in the mails; (4) upon request the agent must provide to the Postal Service all addresses to which the agency transfers mail; and (5) when any information required on this form changes or becomes obsolete, the addressee(s) must file a revised application with the Commercial Mail Receiving Agency (CMRA).

NOTE: The applicant must execute this form in duplicate in the presence of the agent, his or her authorized employee, or a notary public. The agent provides the original completed signed PS Form 1583 to the Postal Service and retains a duplicate completed signed copy at the CMRA business location. The CMRA copy of PS Form PS 1583 must at all times be available for examination by the postmaster (or designee) and the Postal Inspection Service. The addressee and the agent agree to comply with all applicable Postal Service rules and regulations relative to delivery of mail through an agent. Failure to comply will subject the agency to withholding of mail from delivery until corrective action is taken.

This application may be subject to verification procedures by the Postal Service to confirm that the applicant resides or conducts business at the home or business address listed in boxes 7 or 10, and that the identification listed in box 8 is valid.

2. Name in Which Applicant's Mail Will Be Received for Delivery to Agent. (Complete a separate PS Form 1583 for EACH applicant. Spouses may complete and sign one PS Form 1583. Two items of valid identification apply to each spouse. Include dissimilar information for either spouse in appropriate box.)
Coronado Biosciences

3a. Address to be Used for Delivery (Include PMB or # sign.)
45 Rockefeller Plaza
Suite 2000

3b. City	3c. State	3d. ZIP + 4®
New York	NY	10111

4. Applicant authorizes delivery to and in care of:

a. Name
Rockefeller Group Business Centers

b. Address (No., street, apt./ste. no.)
45 Rockefeller Plaza Suite 2000

c. City	d. State	e. ZIP + 4
New York	NY	10111

5. This authorization is extended to include restricted delivery mail for the undersigned(s):
Gary Gemignani; Jaclyn Jaffe

6. Name of Applicant
Gary Gemignani

7a. Applicant Home Address (No., street, apt./ste. no)
45 Rockefeller Plaza, Suite 2000

7b. City	7c. State	7d. ZIP + 4
New York	New York	10111

7e. Applicant Telephone Number (Include area code)
212-332-1667

8. Two types of identification are required. One must contain a photograph of the addressee(s). Social Security cards, credit cards, and birth certificates are unacceptable as identification. The agent must write in identifying information. Subject to verification.

a.

b.

Acceptable identification includes: valid driver's license or state non-driver's identification card; armed forces, government, university, or recognized corporate identification card; passport, alien registration card or certificate of naturalization; current lease, mortgage or Deed of Trust; voter or vehicle registration card; or a home or vehicle insurance policy. A photocopy of your identification may be retained by agent for verification.

9. Name of Firm or Corporation
Coronado Biosciences

10a. Business Address: (No., street, apt./ste. no)
45 Rockefeller Plaza, Suite 2000

10b. City	10c. State	10d. ZIP + 4
New York	New York	10111

10e. Business Telephone Number (Include area code)
212-332-1667

11. Type of Business
Drug development and cancer therapies

12. If applicant is a firm, name each member whose mail is to be delivered. (All names listed must have verifiable identification. A guardian must list the names of minors receiving mail at their delivery address.)

13. If a CORPORATION, Give Names and Addresses of Its Officers
Gary Gemignani, COO/CFO
Jaclyn Jaffe, Assistant

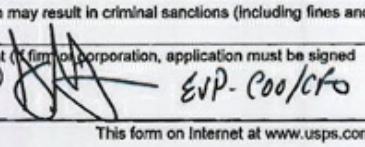
14. If business name (corporation or trade name) has been registered, give name of county and state, and date of registration.

Delaware
20-5157386

Warning: The furnishing of false or misleading information on this form or omission of material information may result in criminal sanctions (including fines and imprisonment) and/or civil sanctions (including multiple damages and civil penalties).

15. Signature of Agent/Notary Public

16. Signature of Applicant (If firm or corporation, application must be signed by officer. Show title.)



Privacy Act Statement: Your information will be used to authorize the delivery of your mail to the designated addressee as your agent. Collection is authorized by 39 USC 401, 403, and 404. Providing the information is voluntary, but if not provided, we cannot provide this service to you. We do not disclose your information without your consent to third parties, except for the following limited circumstances: to a congressional office on your behalf; to financial entities regarding financial transaction issues; to a USPS® auditor; to entities, including law enforcement, as required by law or in legal proceedings; to contractors and other entities aiding us to fulfill the service; and for the purpose of identifying an address as an address of an agent who receives mail on behalf of other persons. Information concerning an individual who has filed an appropriate protective court order with the postmaster will not be disclosed except pursuant to court order. For more information on our privacy policies, see our privacy link on usps.com.®

Rockefeller Group
Business Centers

Service Agreement

Term Sheet

DATE: MARCH 31, 2011

Client Information

Client: Coronado Biosciences		Entity: Corporation	Tax ID or SS: 20-5157386	
Address: 45 Rockefeller Plaza, Suite 2000	City: New York	State: New York	Zip: 10111	Country: United States
Client's Telephone Number: 212-332-1666	Client's Email Address: ggemignani@coronadobiosciences.com			
Send Invoices To: Gary Gemignani; Jaclyn Jaffe	Phone Number: 212-332-1666		Fax Number: 212-332-1667	
Billing Contact Email: ggemignani@coronadobiosciences.com				
Center: **45 Rockefeller Plaza, New York, Suite 2000, NY, 10111**				
Commencement: April 1, 2011		Expiration: June 30, 2011		
Recurring terms: 3 Months	Notice Period: 60 Days prior to end of term	Escalation Date: March 31		Escalation Rate: 10.00%
Referred by: Other		Name: Existing client		

Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate	Office	Cpty	Rate
40	1	$3,500.00									

Technology	Quantity	Rate	Extension	Start-Up Per Unit
Phone	1	$125.00	$125.00	$75.00
Shared Internet	1	$110.00	$110.00	$75.00

COMMENTS

Account: 10259 office #40. Three-month cycle; 60-day notification required within current three-month term to terminate or the next three month responsibility applies (automatic roll over); Two-month retainer is due at signing -- retainer is held on file and returned 60-days after departure.

Initial Charges

Other:		
Key/Access Card Included	@ Each	
Start-up Fee:		$275.00
Recurring Monthly Charge:		$3,610.00
Service Retainer: "2" months:		$7,220.00
INITIAL CHARGES DUE AT SIGNING:		$11,105.00

**Please note that this agreement does not end automatically. To end this agreement, please refer to the terms and conditions of section 18.*

***By signing this agreement you agree to our Service Agreement Terms and Conditions attached hereto.*

****Special Pricing and Promotions do not apply to Agreements already in effect.*

Coronado Biosciences

By: _____ Date: 4/1/2011
Name: M. Gary Gemignani
Title: Chief Operating Officer

Rockefeller Group Business Centers

By: _____ Date: _____
Name: Margaret M. Myhan
Title: General Manager

1. STANDARD SERVICES

A. OFFICE ACCOMODATION. As a Client you have a license to use the office(s) assigned to you. You also have shared use of common areas in the Center. You have access to your office(s) twenty-four (24) hours a day, seven (7) days a week. Your office(s) comes with standard office furniture. Our building provides office cleaning, maintenance services, electric, heating and air conditioning to the Center during normal bnsiness hours as determined by the landlord for the building.

You will be asked to sign an inventory of all accommodation(s) furniture and equipment you are permitted to use, together with a note of its condition, and an acknowledgement of the keys or entry cards issued to you and specified on the first page of this Agreement (the "Term Sheet").

You shall not install any furniture or office equipment, cabling, internet or telecom connections without our consent, which we may refuse at our absolute discretion.

We reserve the right to relocate you to another office in the Center from time to lime. If we exercise this right it will only be to an office of equal or larger size and configuration and we will attempt to obtain your approval with respect to such new office(s) in advance. Any such relocation will be at our expense. Additionally, we may show the offices(s) to prospective Clients and will use reasonable efforts not to disrupt your business.

B. SERVICES. In addition to an office, we provide you with certain services on an as requested basis, subject to the availability of RGBC staff. We will not be responsible for any delay in service due to the unavailability of such staff. The fee schedule for these services is available upon request and may be updated from time to time. The fees are charged to your account and are payable on the monthly billing date. You agree to pay all charges authorized by you or your employees.

If you request the use of services outside of the Center's normal opening hours, we will try to accommodate you, subject to the availability of RGBC staff. If we decide in our sole discretion that a request for any particular service is excessive, we reserve the right to charge an additional fee at our usual published rates based on the time taken to complete such service.

RGBC and its designees are the only service providers authorized to provide services in the Center. You agree that neither you nor your employees will solicit other clients of the Center or other outside parties to provide any service provided by RGBC, its affiliates or its designees, or otherwise.

C. INTERNET ACCESS. You must pay service fees for each device connected to Internet service.

Internet service and any other service provided to you may only be used for lawful purposes. Transmission or storage of any information, data, or material in violation of any US federal, state or local law is prohibited. You are prohibited from using our internet access or our network to transmit threatening material or transmit or receive obscene material You must comply with any copyright notices, license terms or other notices appearing on screen or any part of any material on the internet or our network. You must not copy, use or exploit such material in any way, unless we have explicitly given you permission to do so. Anyone seeking to send a Notification of Claimed Infringement pursuant to the Digital Millennium Copyright Act of 1998 must send notification to RGBC's Designated Agent, Parkin Lee, Rockefeller Group Business Centers, Inc., 17th floor, 1221 Avenue of the Americas, New York, NY 10020-1095, by telephone at (212) 282-2000, by fax at (212)282-2005, or by email to growden@rockgrp.com. You agree to pay promptly all (i) sales, use, excise and any other taxes, surcharges or license fees which you are required to pay to any governmental authority (and, at our request, will provide to us evidence of such payment), and (ii) any taxes paid by us attributable to your accommodation, including, without limitation, any gross receipts, rent and occupancy taxes, surcharge fees or tangible personal property taxes.
You will pay a fee of $100.00 (or the maximum amount permitted by law) for (he return of any payment for insufficient funds.

3. SERVICE RETAINER. When you sign this Agreement you are required to pay a Service Retainer as part of your initial charges as security for the performance of your obligations under this Agreement. The Service Retainer will not be kept in a separate account from other funds or RGBC and no Interest will be paid to you an this amount. The Service Retainer may be applied to outstanding charges at any time at our discretion. We have the right to require that you replace retainer funds that we apply to your charges and to Increase retainer funds If (1) you frequently fail to pay us on time or (ii) your outstanding fees exceed the Service Retainer held. At the end of the term of this Agreement, If you have satisfied all of your payment obligations, we will refund your Service Retainer within sixty (60) days thereafter.

4. USE OF OFFICE ACCOMODATION. You agree to use our offices, services and facilities in accordance with the provisions of this Agreement as a first-class office and only for the approved purpose you have stated to us or to which we have otherwise agreed.

You shall not, without our prior written consent: (i) store or operate in the office(s) or the Center any computer (excepting a personal computer) or any other large business machine, reproduction equipment, heating equipment, stove, radio, stereo equipment or other mechanical amplification equipment, vending or coin operated machine, refrigerator or coffee equipment; (ii) conduct a mechanical business in the office(s) or the Center; (iii) store or cook food within the office(s) or the Center, or use or allow to be used in the building, oil burning fluids, gasoline, kerosene for healing, warming or lighting; (iv) use the office(s) or the Center as a distribution, assembly or shipping center for goods or merchandise or for manufacturing or storage of merchandise except as such storage may be incidental to general office purposes; (v) occupy or permit any portion of the office(s) or the Center to be occupied or used for the manufacture, sale, gift or use of liquor, narcotics or tobacco in any form or (vi) use the office(s) or any part of the Center for lodging or sleeping or for any immoral or illegal purposes. No article deemed hazardous on account of fire or any explosives shall be brought into the Center. No behavior, noise or odor, which, in our judgment might disturb other clients or other occupants of the building shall be permitted in the office(s), No fire arms shall be permitted.

You agree to use the office(s), services and facilities as required by laws, ordinances and regulation; which apply to your operations, including those which require you to have licenses and/or permits. Neither you as Client nor any occupant of the office(s) shall use the words *"Rockefeller Croup Business Centers",* or any simulation thereof, for any purpose whatsoever, including (but not limited to) as or for any corporate, firm or trade name, trademark or designation or description of merchandise or services.

5. NAME AND ADDRESS. You may only carry on that business in your name or some other name upon which we previously agree. At your request and cost we will include that name in the house directory at the Center, where this is available. You must not put up any signs on (the doors to your office(s) or anywhere else which is visible from outside the office(s) you are using. You

must strictly comply with the terms of any permissions which we give. We have the right to suspend internet or network service at any time if your use violates any laws or the provisions of this Agreement.

With respect to e-mail usage from our Internet service, it is explicitly prohibited to do any of the following: sending unsolicited commercial, advertising and informational mail messages; using another site's mail server to relay mail without the express permission of that site; sending emails that make it appear as though the e-mail is sourced from another source's server, even if permission has been received; falsifying addressing information or otherwise modifying headers to conceal the sender's identity; sending messages that threaten or promise breaches of the peace, ads of terror, war, civil disturbance or violence; sending messages that harass or intimidate other users; sending mass electronic messages or "mail-bombing" (sending mass unsolicited mail or deliberately sending very large attachments to one recipient); and sending the same or substantially similar unsolicited email message, whether commercial or not, to 100 or more recipients. Also, when using our Internet service, posting the same or similar message to one or more newsgroups (excessive cross-posting or multiple-posting, also known as "SPAM") is prohibited.

We do not make any representations as to the security of our network (or the internet) or any information that you place on it. You should employ whatever security measures (such as encryption) you believe are appropriate for your protection.

We cannot guarantee that a particular degree of availability will be attained in connection with your use of the internet or network services.

You hereby warrant to us that our provision of these services to you will not infringe upon the rights of any third parties.

We warrant that the services shall be provided and performed in a professional and workmanlike manner. If we fail to provide the services as warranted, your sole and exclusive remedy shall be the remedy of such failure by us within a reasonable time after written notice.

The above warranty is in lieu of all other terms, conditions and warranties, whether express or implied by usage, custom, statute or otherwise pertaining to the services and manner in which we perform our obligations and exercise our right including, but without prejudice to the generality of the foregoing such as relate to the description, performance, quality, suitability or fitness for any particular purposes, of (he services. We do not warrant that the services will be uninterrupted or error free.

2. PAYMENTS. You agree to pay (i) the initial charges set forth on the Term Sheet upon execution of this Agreement and (ii) your Recurring Monthly Charges and additional service fees, and all applicable sales and use taxes on services to be provided in the following month in advance in full on the 1st of every month. You will be charged a late fee equivalent to 5% of the balance due, if payment is not received by the *5th* of every month. If you dispute any portion of the charges on your bill, you agree to pay the undisputed portion on the designated payment date. You agree that charges must be disputed within ninety (90) days or you waive your right to dispute such charges.

may use the Center address as your business address. You acknowledge that you have read and understood United States Post Office Form #1583 and understand that in the event your use of this address terminates, it will be your responsibility to notify all parties of the termination of the use of the Center's address. If this Agreement terminates or any or all of the Monthly Charges and additional service fees are no; paid when due, RGBC may terminate your right to use the Center's address and at RCBC's election, and upon reasonable notice, may either (i) return all mail to senders or (ii) destroy said mail.

6. ACCESS TO YOUR OFFICE ACCOMODATION. We may enter your office(s) at any time. However, unless there is an emergency, we will as a matter of courtesy try to inform you in advance when we need access to carry out testing, repair or work other than routine inspection, cleaning and maintenance. We will also use reasonable efforts to comply with security procedures in order to protect the confidentiality of your business.

7. OUR PROPERTY. You must take good care of and not damage or make any changes to the office, facilities, furnishings and equipment we provide to you or remove any of such furnishings and equipment from the office(s). At the end of this Agreement, you must deliver the same to us in good condition, normal wear and tear excepted. If any damage (beyond normal wear and tear) to our property should occur while in your care, custody or control, you agree to pay reasonable repair/replacement costs and to notify us immediately upon such damage occurring, but no later than 8 hours later. You are liable for any damage caused by you or those in the Center with your permission or at your invitation.

8. KEYS AND SECURITY. Any keys or entry cards which we let you use remain our property at all times. You must not take any copies of them or allow anyone else to use them without our consent. Any loss must be reported to us immediately and you must pay the cost of replacement keys or cards and or changing locks, if required.

You must not place any additional locks or bolts of any kind upon any of the doors or windows of the Center nor make any changes to existing locks or the mechanisms thereof.

9. COMPLIANCE WITH LAW. You must comply with all relevant laws and regulations in the conduct of yaw business. You must do nothing illegal. You must not do anything that interferes with the use of the Center by RGBC or by anyone else, cause any nuisance or annoyance, increase insurance premiums payable by RGBC or its affiliates or cause loss or damage to us or to the owner of any interest in the building in which the Center is located. If you do not comply with the provisions of this paragraph, we may immediately terminate this Agreement or any other agreement you have with us.

10. CONDUCT. You acknowledge that RGBC is and will continue to be an equal opportunity employer and that RGBC prohibits any form of discrimination in employment, against any of its employees (whether by its employees, its clients, including you, or others), including, on the basis of race, color, creed, religion, age, gender, marital status, sexual orientation, national origin, or disability, or other characteristics protected by law. In recognition of this policy, you and your officers, directors, employees, shareholders, partners, agents, representatives, contractors.

Initials 

customers, or invitees shall be prohibited from participating in any type of harassing or abusive behavior to employees of RGBC or it affiliates, other clients or invitees, verbal or physical in the Center for any reason. You further agree, upon the request of RGBC, to cooperate with RGBC in its efforts to enforce and maintain its equal employment opportunity, non-discrimination and anti-harassment policies. RGBC may immediately terminate this Agreement if you or any of your staff engage in any behavior that RGBC deems is contrary to its policies. Notwithstanding the above, you will indemnify and hold harmless RGBC for any and all damages, costs, liabilities, and reasonable attorneys' fees incurred by it under applicable employment non-discrimination laws (whether federal, state or local) as a result of your or any of your staff's conduct toward RGBC's employees or other users or occupants of the Center and/or failure to comply with your obligations hereunder.

11. DAMAGES AND INSURANCE. You are responsible for any damage you cause to the Center or your office(s) beyond normal wear and tear. We have the right to inspect the condition of the office from time to time and make any necessary repairs.

You are responsible for arranging insurance for your personal property against all risks and for your liability to and for your employees and third parties. You have the risk of damage, loss, theft or misappropriation with respect to any of your personal property and liability to and for your employees and third parties. You agree to waive any right of recovery against RGBC, its directors, officers and employees for any damage, loss, theft or misappropriation of your property under your control and any liability to and for your employees and third parties. All property in your office(s) is understood to be under your control.

12. INDEMNITIES. You must indemnify us with respect to all liability, claims, damages, loss and expenses which may arise (except to the extent caused by our gross negligence or willful misconduct):

(i) if someone dies or is injured while in the accommodation you are using;

(ii) from a third party in respect of your use of the Center and the services; or

(iii) if you do not comply with the terns of your Agreement.

You must also pay any costs, including reasonable legal fees, which we incur in enforcing your Agreement.

13. OUR LIMITATION OF LIABILITY. You acknowledge that due to the imperfect nature of verbal, written and electronic communications, neither RGBC nor its affiliates, its landlord or any of their respective officers, directors, employees, partners, agents or representatives shall be responsible for damages, direct or consequential, that may result from the failure of RGBC to furnish any service, including but not limited to the service of conveying messages, communications and other utility or services. Your sole remedy and RGBC's sole obligation for any failure to render any service, any error or omission, or any delay or interruption of any service, is limited to an adjustment to your bill in an amount equal to the charge for such service for the period during which the failure, delay or interruption continues.

WITH THE SOLE EXCEPTION OF THE REMEDY DESCRIBED ABOVE, YOU EXPRESSLY AND SPECIFICALLY AGREE TO WAIVE, AND AGREE NOT TO MAKE, ANY CLAIM FOR DAMAGES, DIRECT OR CONSEQUENTIAL, INCLUDING WITH RESPECT TO LOST BUSINESS OR PROFITS, ARISING OUT OF ANY FAILURE TO FURNISH ANY SERVICE, ANY ERROR OR OMISSION WITH RESPECT THERETO, OR ANY DELAY OR INTERRUPTION OF SERVICES. RGBC DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

18. TERMINATION. The term of this Agreement shall last for the period of time stated on the Term Sheet and will then be automatically extended for the period(s) of time outlined on the Term Sheet, unless either party terminates in accordance with the Notice Period set forth on the Term Sheet (or with sixty (60) days prior notice in the event three (3) or more offices are assigned to you at any time under this Agreement and/or any other agreement with RGBC). The Monthly Charges will automatically increase on an annual basis in accordance with the Term Sheet. In all other respects, your Agreement will renew on the same terms and conditions is contained herein.

RGBC has the right to immediately terminate this Agreement upon notice if: l) you become insolvent, go into liquidation or become unable to pay your debts as they fall due; 2) you are in breach of one of your obligations which cannot be put right or which we have given yon notice to put right and which you have failed to put right within ten (10) business days of that notice; or 3) your conduct, or that of someone at the Center with your permission or at your invitation, is incompatible with ordinary office use.

If we put an end to this Agreement for any of these reasons above it does not put an end to any then outstanding obligations you may have and you must: l) pay for additional services you have used; 2) pay the Monthly Charges for the remainder of the period for which your Agreement would have lasted had we not ended it or for a further period of three months (whichever is earlier), and 3) indemnify us against all costs and losses we incur as a result of the termination.

19. RESTRICTION ON HIRING. Our employees are an essential part of our ability to deliver our services. You acknowledge this and agree that, during the term of your Agreement and for six (6) months afterward, you will not hire any of our employees or others working on our behalf. If you do hire one of our employees or another person working on our behalf, you agree that actual damages would be difficult to determine and therefore you agree to pay liquidated damages in the amount of one-half of the annual base salary of the employee or other person you hire. You agree that this liquidated damage amount is fair and reasonable.
20. RULES AND REGULATIONS. You and your employees, agents, guests, invitees, visitors, and/or any other persons caused to be present in and around the premises by you will perform and abide by the rules and regulations set forth herein and any other rules that we may impose generally on users of the Center, whether for reasons of health and safety, or otherwise. We shall have no responsibility to you for the violation or non-performance by any of our other clients of any of the Rules and Regulations but shall use reasonable efforts to enforce all Rules and Regulations.

a. Your employees and guests shall conduct themselves in a businesslike manner; proper business attire shall be worn at all times; the noise level will be kept to a level so as not to interfere with or annoy other clients and you will abide by our directives regarding all matters common to all occupants.

b. You shall not affix anything to the windows, walls or any other part of the office(s) or the Center or make alterations or additions to the office(s) or the Center without our prior written consent.

c. You shall not prop open any corridor doors, exit doors or doors connecting corridors during or after business hours.

d. You shall only use public areas with our prior consent and those areas must be kept neat and attractive at all times.

e. You shall not obstruct corridors, halls, elevators and stairways or use them for any purpose other than egress and ingress.

f. The electrical current shall be used for ordinary lighting, powering personal computers and personal business devices only unless written permission to do otherwise shall first have been obtained from us at an agreed cost to you.

RGBC and our affiliates and/or our landlord are not liable to you, or to anyone you invite or permit into our offices or areas, for any injury (including death), loss or damage resulting from the actions or omissions of our employees, clients, their guests, or anyone else, or resulting from any condition or failure of the offices access, facilities and/or areas provided by us. You waive all claims you may come to have against us and/or our landlord for damage or loss to your property arising from fire, theft, or other occurrences.

14. SUSPENSION OF SERVICES. We may by notice suspend the provision of services (including access to the Center) for reasons of political unrest, strikes, terrorism, Act's of God or other events beyond our or our landlord's reasonable control

15. LICENSE AGREEMENT. YOU ACKNOWLEDGE THAT THIS AGREEMENT IS NOT A LEASE OR ANY OTHER INTEREST IN REAL PROPERTY. IT IS A CONTRACTUAL ARRANGEMENT THAT CREATES A REVOCABLE LICENSE. RGBC retains legal possession and control of the Center and the office(s) assigned to you. Our obligation to provide space and services to you is subject to the terms of our lense with the building. This Agreement terminates simultaneously with the termination of RGBC's master lease or the termination of the operation of Center for any reason. As our Client, you do not have any rights under our lease with the landlord. When this Agreement is terminated because the term has expired or otherwise, your license to occupy the Center is revoked. You agree to remove your personal property and leave the office as of the date of termination. We are not responsible for property left in the office after termination.

16. DEFAULT, You are in default under this Agreement if: 1) you fail to abide by the rules and regulations of the Center; 2) you do not pay your fees on the designated payment date and after written notice of this failure to pay you do not pay within five (5) days; and 3) you do not comply with the terms of this Agreement. If the default is unrelated to payment you will be given written notice of the default and you will have ten(10) days to correct the default.

In the event you default on your obligations under this Agreement, you agree that RGBC may cease to provide any and all services in including telephone and internet services without resort to legal process Additionally, RGBC shall have all rights and remedies for such default pursuant to the state in which the Center is located.

17. CURING YOUR DEFAULT. If you default in the observance of any provision of this Agreement, RGBC, without waiving such default, may thereafter, without notice, perform the same for your account and at your expense. All costs and expenses incurred by RGBC in connection with any such performance and all costs and expenses, including reasonable counsel fees and disbursements incurred in any action or proceeding brought by RGBC to enforce any of your obligations hereunder and/or RGBC's rights in or to the office(s), shall be paid by you to RGBC upon demand. If any fees or damages payable under this Agreement are not paid within five (5) days after the date on which they are due, the same shall be subject to a late charge equal to five (5%) percent of the amount due. RGBC reserves the right, without liability to you, to suspend furnishing or rendering of services to you if you are in arrears in paying any such amounts.

g. If you require any special installation or wiring for electrical use, telephone equipment or otherwise, such wiring shall be done at your expense by personnel designated by us.

h. You may not conduct business or use mobile phones in the hallways, reception area or any other area except in your designated office(s) without our prior written consent.

i. You shall not and shall not permit any person to bring animals other than seeing-eye dogs in the company of blind persons into the building or the Center.

j. Canvassing, soliciting and peddling in the building are prohibited and you shall not solicit other clients for any business or other purpose without our prior written consent.

k. Smoking shall be prohibited at all times in all areas of the Center, including conference rooms, training rooms, offices (whether open or closed) and workstations.

l. You shall use only telecommunications systems and services as provided by us.

21. SUBORDINATION. Your Agreement is subordinate to our lease with our landlord and to any other agreements to which our lease is subordinate.

22. MISCELLANEOUS.

A. All notices must be in writing and may be given by registered or certified mail, postage prepaid, overnight mail service or hand delivered with proof of delivery, addressed to RGBC or Client at the address listed on the Term Sheet.

B. If you remain in the office(s) after the expiration or termination of this Agreement without RGBC's consent, you will be required to pay as liquidated damages, for such period as you remain in the the office(s), an amount equal to two times the Monthly Charges and additional service fees that yon were obligated to pay for the period immediately preceding the expiration or termination of this Agreement. The term of this Agreement shall not be extended as a result of your remaining in the office(s) or paying the amounts specified herein.

C. If any provision of this Agreement or the application thereof is deemed invalid or unenforceable, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

D. If you fail to remove any property belonging to you from the office(s) or the Center after the expiration or termination of this Agreement, it shall be conclusively presumed that you have conveyed such properly to RGBC under this Agreement as a bill of sale without further payment or credit by RGBC to you and we may either keep or remove such property and you shall pay all out costs of such removal upon demand.

E. You may not assign this Agreement without RGBC's prior written consent.

F. This Agreement is governed by the laws of the state in which the Center is located.

Initials 

United States Postal Service®

Application for Delivery of Mail Through Agent

See Privacy Act Statement on Reverse

1. Date: March 31, 2011

In consideration of delivery of my or our (firm) mail to the agent named below, the addressee and agent agree: (1) the addressee or the agent must not file a change of address order with the Postal Service™ upon termination of the agency relationship; (2) the transfer of mail to another address is the responsibility of the addressee and the agent; (3) all mail delivered to the agency under this authorization must be prepaid with new postage when re-deposited in the mails; (4) upon request the agent must provide to the Postal Service all addresses to which the agency transfers mail; and (5) when any information required on this form changes or becomes obsolete, the addressee(s) must file a revised application with the Commercial Mail Receiving Agency (CMRA).

NOTE: The applicant must execute this form in duplicate in the presence of the agent, his or her authorized employee, or a notary public. The agent provides the original completed signed PS Form 1583 to the Postal Service and retains a duplicate completed signed copy at the CMRA business location. The CMRA copy of PS Form PS 1583 must at all times be available for examination by the postmaster (or designee) and the Postal Inspection Service. The addressee and the agent agree to comply with all applicable Postal Service rules and regulations relative to delivery of mail through an agent. Failure to comply will subject the agency to withholding of mail from delivery until corrective action is taken.

This application may be subject to verification procedures by the Postal Service to confirm that the applicant resides or conducts business at the home or business address listed in boxes 7 or 10, and that the identification listed in box 8 is valid.

2. Name in Which Applicant's Mail Will Be Received for Delivery to Agent. (Complete a separate PS Form 1583 for EACH applicant. Spouses may complete and sign one PS Form 1583. Two items of valid identification apply to each spouse. Include dissimilar information for either spouse in appropriate box.)
Coronado Biosciences

3a. Address to be Used for Delivery (Include PMB or # sign.)
45 Rockefeller Plaza
Suite 2000

3b. City: New York
3c. State: NY
3d. ZIP + 4®: 10111

4. Applicant authorizes delivery to and in care of:

a. Name
Rockefeller Group Business Centers

b. Address (No., street, apt./ste. no.)
45 Rockefeller Plaza Suite 2000

c. City: New York
d. State: NY
e. ZIP + 4: 10111

5. This authorization is extended to include restricted delivery mail for the undersigned(s):
Gary Gemignani; Jaclyn Jaffe

6. Name of Applicant
Gary Gemignani

7a. Applicant Home Address (No., street, apt./ste. no)
45 Rockefeller Plaza, Suite 2000

7b. City: New York
7c. State: New York
7d. ZIP + 4: 10111

8. Two types of identification are required. One must contain a photograph of the addressee(s). Social Security cards, credit cards, and birth certificates are unacceptable as identification. The agent must write in identifying information. Subject to verification.

a.

b.

Acceptable identification includes: valid driver's license or state non-driver's identification card; armed forces, government, university, or recognized corporate identification card; passport, alien registration card or certificate of naturalization; current lease, mortgage or Deed of Trust; voter or vehicle registration card; or a home or vehicle insurance policy. A photocopy of your identification may be retained by agent for verification.

7e. Applicant Telephone Number (Include area code)
212-332-1667

9. Name of Firm or Corporation
Coronado Biosciences

10a. Business Address: (No., street, apt./ste. no)
45 Rockefeller Plaza, Suite 2000

10b. City: New York
10c. State: New York
10d. ZIP + 4: 10111

10e. Business Telephone Number (Include area code)
212-332-1667

11. Type of Business
Drug development and cancer therapies

12. If applicant is a firm, name each member whose mail is to be delivered. (All names listed must have verifiable identification. A guardian must list the names of minors receiving mail at their delivery address.)

13. If a CORPORATION, Give Names and Addresses of its Officers
Gary Gemignani, COO/CFO
Jaclyn Jaffe, Assistant

14. If business name (corporation or trade name) has been registered, give name of county and state, and date of registration.

Delaware
20-5157386

Warning: The furnishing of false or misleading information on this form or omission of material information may result in criminal sanctions (including fines and imprisonment) and/or civil sanctions (including multiple damages and civil penalties).

15. Signature of Agent/Notary Public

16. Signature of Applicant (If firm or corporation, application must be signed by officer. Show title.)

Privacy Act Statement: Your information will be used to authorize the delivery of your mail to the designated addressee as your agent. Collection is authorized by 39 USC 401, 403, and 404, Providing the information is voluntary, but if not provided, we cannot provide this service to you. We do not disclose your information without your consent to third parties, except for the following limited circumstances: to a congressional office on your behalf; to financial entities regarding financial transaction issues; to a USPS® auditor; to entities, including law enforcement, as required by law or in legal proceedings; to contractors and other entities aiding us to fulfill the service; and for the purpose of identifying an address as an address of an agent who receives mail on behalf of other persons. Information concerning an individual who has filed an appropriate protective court order with the postmaster will not be disclosed except pursuant to court order. For more information on our privacy policies, see our privacy link on usps.com.®

Regus

Online Office Agreement

Agreement Date : Thursday, May 26, 2011 Confirmation No : 8192-412993

Business Center Details	
MA, Boston - Burlington, New England Executive Park	
Address	15 New England Executive Park 1st and 2nd Floors Burlington MASSACHUSETTS 01803 United States of America
Sales Manager	Stephanie Gavett

Client Details	
Company Name	Coronado Biosciences
Contact Name	Dale Ritter
Address	45 Rockefeller Plaza Suite 2000 New York NY 10111 United States of America
Phone	+ () 781 258 9743
Email	daleritter1@gmail.com

Office Payment Details (exc. tax and exc. services)

Office Number	Number of people
1081	1
1082	1
1083	1
1084	1
1092	1

Initial Payment :	**First month's fee :**	$ 0.00
	Service Retainer :	$ 10,439.69
	Total Initial Payment :	**$ 10,439.69**
Monthly Payment :	**Total Monthly Payment thereafter :**	**$ 5,219.84**

Service Provision :	**Start Date**	Monday, August 01, 2011	**End Date**	Tuesday, July 31, 2012

All agreements end on the last calendar day of the month.

Comments: Per the May 2011 promotion, the office fee for the months of August & September 2011, and June & July 2012 will be waived. Business restoration one time fee is $2 per foot, total of $1216 for these five offices on agreement. Business continuation is $249/mo for 3 months.

Terms and Conditions

We are Regus Management Group, LLC, “Regus”. This Agreement incorporates our terms of business set out on our Terms and Conditions which you confirm you have read and understood. We both agree to comply with those terms and our obligations as set out in them. This agreement is binding from the agreement date and may not be terminated once it is made, except in accordance with its terms. Note that the Agreement does not come to an and automatically. See “Bringing your Agreement to an end”.

I accept the terms and conditions

Confirm by typing your name in the box below

Name: Dale Ritter on behalf of Coronado Biosciences **Signed on Friday, May 27, 2011**

I confirm these details are correct to the best of my knowledge

Exhibit 21.1

Subsidiaries of the Registrant

Name of Subsidiary	Place of Incorporation
Innmune Limited	UK