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As filed with the Securities and Exchange Commission on March 19, 2014.

Registration No. 333-194192

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

Amendment No.1
to
FORM S-1
REGISTRATION STATEMENT
UNDER THE SECURITIES ACT OF 1933

SCYNEXIS, Inc.

(Exact name of registrant as specified in its charter)

Delaware	2834	56-2181648
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

3501 C Tricenter Boulevard
Durham, North Carolina 27713
(919) 544-8600
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Yves J. Ribeill, Ph.D.
President and Chief Executive Officer
SCYNEXIS, Inc.
3501 C Tricenter Boulevard
Durham, North Carolina 27713
(919) 544-8600
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Matthew B. Hemington Brett D. White Cooley LLP 3175 Hanover Street Palo Alto, California 94304 (650) 843-5000	Eileen C. Pruette General Counsel SCYNEXIS, Inc. 3501 C Tricenter Boulevard Durham, North Carolina 27713 (919) 544-8600	Curtis L. Mo Torrie C. Nute DLA Piper LLP (US) 2000 University Avenue East Palo Alto, California 94303 (650) 833-2000

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

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

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee(3)
Common Stock, $0.001 par value per share	4,865,420	$14.00	$68,115,880	$8,774

(1) Includes the additional 634,620 shares that the underwriters have the right to purchase.

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

(3) The Registrant previously paid $7,084 of the registration fee in connection with the initial filing of this registration statement.

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

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED MARCH 18, 2014

PRELIMINARY PROSPECTUS

4,230,800 Shares

SCYNEXIS, Inc.

Common Stock

We are offering 4,230,800 shares of our common stock. This is our initial public offering and no public market currently exists for our common stock. We expect the initial public offering price to be between $12.00 and $14.00 per share. We have applied to list our common stock on the NASDAQ Global Market under the symbol "SCYX."

Investing in our common stock involves a high degree of risk. Please read " Risk Factors" beginning on page 9 of this prospectus.

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, and are subject to reduced public company reporting requirements.

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

	Per Share	Total
Public offering price	$	$
Underwriting discounts and commissions(1)	$	$
Proceeds to SCYNEXIS, Inc., before expenses	$	$

(1) See "Underwriting" beginning on page 149 for a full description of compensation payable to the underwriters.

Certain of our principal stockholders, including stockholders affiliated with our directors, have indicated an interest in purchasing up to an aggregate of approximately $9.0 million of shares of common stock in this offering at the public offering price. See "Transactions With Related Persons" beginning on page 127.

Delivery of the shares of common stock is expected to be made on or about , 2014. We have granted the underwriters an option for a period of 30 days to purchase an additional 634,620 shares of our common stock to cover over-allotments. If the underwriters exercise the option in full, the total underwriting discounts and commissions payable by us will be $, and the total proceeds to us, before expenses, will be $.

RBC CAPITAL MARKETS **CANACCORD GENUITY**

JMP SECURITIES

Prospectus dated , 2014

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

Until and including , 2014 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Neither we nor the underwriters have done anything that would permit this offering or possession or distribution of this prospectus in any jurisdiction where action for that purpose is required, other than in the United States. Persons who come into possession of this prospectus and any free writing prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus and any free writing prospectus applicable to that jurisdiction.

PROSPECTUS SUMMARY

This summary highlights information contained elsewhere in this prospectus and does not contain all of the information that you should consider in making your investment decision. Before deciding to invest in our common stock, you should read this entire prospectus carefully, including the sections of this prospectus titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes. Unless the context otherwise requires, references in this prospectus to the "company," "SCYNEXIS," "we," "us" and "our" refer to SCYNEXIS, Inc.

Overview

SCYNEXIS is a pharmaceutical company committed to the discovery, development and commercialization of novel anti-infectives to address significant unmet therapeutic needs. We are developing our lead product candidate, SCY-078, as a novel oral and intravenous (IV) drug for the treatment of serious and life-threatening invasive fungal infections in humans. SCY-078 has been shown to be effective *in vitro* and *in vivo* in animal studies against a broad range of *Candida* and *Aspergillus* fungal species, including drug resistant strains. These important pathogens account for approximately 85% of invasive fungal infections in the United States and Europe. SCY-078 was shown to be sufficiently safe and well-tolerated in multiple Phase 1 studies to support progression to Phase 2 studies. We anticipate that the first patient will be enrolled in the second half of 2014 in a Phase 2 study with an oral formulation of SCY-078 for the treatment of invasive *Candida* infection, a common and often fatal invasive fungal infection, and anticipate beginning studies with an IV formulation of SCY-078 in 2015.

We estimate that the annual worldwide market for systemic anti-fungal therapeutics, where we will target SCY-078, is approximately $3.6 billion. Each year there are estimated to be over 600,000 confirmed cases of invasive fungal infections caused by various species of *Candida* and *Aspergillus*, two of the most serious fungal pathogens in the United States and Europe. The rapid progression of the disease and the high mortality rates associated with invasive fungal infections often result in treatments being administered in unconfirmed cases or as a preventative measure. For example we estimate that the total number of patients treated for invasive *Candida* infections to be approximately three to four times the number of confirmed cases. Also, there is increasing use of drugs that suppress the immune system, such as chemotherapies or drugs for auto-immune disease and transplantation, which has led to an increased rate of invasive fungal infections. Furthermore, the limited number of anti-fungal drug classes, consisting of azoles, echinocandins and polyenes, and their widespread use, has led to increased numbers of, and infections with, drug-resistant strains. The resulting pattern of infection, followed by treatment, followed by the development of resistance, followed by more infections is familiar to the medical community, as it has faced these same issues with multi-drug resistant bacterial infections such as methicillin-resistant *Staphylococcus aureus*, commonly known as MRSA.

SCY-078 represents a new chemical class of drugs designed to block an established target in infectious fungi. We have conducted studies of SCY-078 using animal models that were used in the development of previously approved anti-fungal drugs where these models were proven to be predictive of efficacy in humans. Using these well-established animal models, SCY-078 was shown to be highly active against *Candida* and *Aspergillus*. SCY-078 has shown potent *in vitro* activity against a large collection of medically relevant strains of *Candida* and *Aspergillus*, including multi-drug resistant strains that have been isolated from infected patients. Across seven Phase 1 studies, which included over 100 healthy human volunteers, SCY-078 achieved sustained blood concentrations at levels believed to be clinically relevant (those predicted to have a therapeutic effect) and was sufficiently safe and well tolerated to support progression to

Phase 2 studies. We are developing both an IV and oral formulation of SCY-078 because patients are typically prescribed IV treatment in hospitals, and then are switched, or "stepped down," to oral formulations when the patient shows sufficient improvement of symptoms. The availability of SCY-078 in both oral and IV formulations would allow patients to remain within the same drug class and potentially be discharged from the hospital sooner.

The increasing rates of bacterial and fungal infections and resistance to current therapies, along with associated high rates of mortality, led to the 2012 passage of the Generating Antibiotic Incentives Now (GAIN) Act in the United States. The GAIN Act established incentives for the development of new therapies for serious and life-threatening infections by making streamlined priority review and fast track processes available for drugs which the U.S. Food and Drug Administration, or FDA, designates as Qualified Infectious Disease Products, or QIDPs. The FDA has granted the oral form of SCY-078 QIDP status, which will provide for an additional five years of data exclusivity, providing an additional layer of protection from generic drug competition. We will submit an additional application to have the IV form of SCY-078 designated as a QIDP. In addition to data exclusivity, SCY-078 is covered by a composition of matter patent extending to 2030. We have exclusive worldwide rights to SCY-078 in the field of human health, and have licensed the rights in Russia and certain smaller non-core markets to R-Pharm, CJSC, or R-Pharm, a leading supplier of hospital drugs in Russia.

As the next step in the development of SCY-078, we plan to conduct a randomized Phase 2 study, and we anticipate that the first patient will be enrolled in the second half of 2014. This will be a three arm study comparing two doses of SCY-078 to current standard of care in patients with invasive *Candida* infections. We also intend to initiate studies with an IV formulation of SCY-078 in the first half of 2015.

If approved, we intend to market SCY-078 to hospitals and major medical centers, where physicians specializing in critical care, infectious disease specialists, and physicians treating immune-compromised patients, such as oncologists and those performing solid organ transplants and stem cell transplants are likely to be found and where invasive fungal infections are more prevalent.

Despite the increasing availability of generic azole drugs and the eventual availability of generic echinocandin drugs, we believe SCY-078, once commercialized, will achieve market acceptance at prices comparable to that of the top selling branded hospital-based antibiotics. We believe we can achieve branded pricing even with the increasing availability of generic drugs based on the following:

- *Drug resistant strains.* There are many invasive fungal strains resistant to azole drugs. High rates of morbidity and mortality, and extended hospital stays associated with infections from these resistant strains, will make a strong argument for use of a branded-priced anti-fungal drug which is effective against these resistant strains.
- *Alternative to echinocandins.* Physicians are reluctant to prescribe azoles in hospitals where azole resistance is prevalent, as an ineffective course of therapy can compromise the patient's survival. Thus, in these settings, physicians often prescribe echinocandins; but echinocandins are only available in IV formulation. Subsequent step down to an oral azole to allow release from the hospital risks relapse of an azole resistant infection if the original pathogen was not identified and susceptibility determined, leading some physicians to keep patients on IV echinocandins for the full course of therapy. If successfully developed, SCY-078 would provide an attractive alternative to echinocandin therapy by offering an IV-to-oral step-down within a single therapeutic class, thereby facilitating earlier discharge from the hospital and the resultant reduced exposure to the risk of hospital-acquired infections.

In addition to pursuing the development of SCY-078, we are planning to use our platform of enfumafungin derivatives and expertise to expand our anti-fungal portfolio. We also have clinical and preclinical programs based on the use of cyclophilin inhibitors to treat viral diseases, and provide contract research and development services, primarily in the field of animal health, which currently generate substantially all of our revenue. As a spinout from Aventis in 2000, we began as a chemistry and animal health services company, providing contract research services to third parties. Through the provision of these services, we built significant expertise in parasitic infections and drug discovery. In addition, while we have not previously fully developed our own compound, we have recently hired a Chief Medical Officer, Carole Sable, M.D., who has substantial experience in the field of anti-infective drug development, to assist us in taking SCY-078 through clinical development. We also have 38 scientists who have Ph.D. degrees and extensive pharmaceutical experience, including our CEO who prior to founding SCYNEXIS was involved in the discovery and development efforts that resulted in the approval of the anti-bacterial Synercid®. We intend to leverage this expertise in the development of SCY-078.

Our Corporate Strategy

Key elements of our strategy include:

- further develop SCY-078 to obtain regulatory approval in major commercial markets;
- commercialize SCY-078 in the United States through a focused, hospital-based sales force;
- contract with commercial partners to develop and commercialize SCY-078 outside of the United States; and
- leverage our strong scientific team and extensive in-house expertise in human and animal drug development to pursue the development of additional proprietary compounds.

Risk Factors Associated with Our Business

Our business is subject to numerous risks, as more fully described in the section entitled “Risk Factors” immediately following this prospectus summary. You should read these risks before you invest in our common stock. In particular, our risks include, but are not limited to, the following:

- historically, we have been a preclinical research services company devoting substantially all of our resources and efforts to providing research services to other companies, and we have only recently shifted our focus to developing our own drug candidates, primarily SCY-078;
- we have never fully developed our own product candidates and we have no products approved for commercial sale;
- we have never been profitable, and to date we have not generated any revenue from product sales. As a result, our ability to curtail our losses and reach profitability is unproven, and we may never achieve or sustain profitability;
- we expect a number of factors to cause our operating results to fluctuate on a quarterly and annual basis, which may make it difficult to predict our future performance;
- we may continue to require substantial additional capital, and if we are unable to raise capital when needed we would be forced to delay, reduce or eliminate our product development programs;
- the clinical studies of our product candidates, including SCY-078, may not meet their safety and efficacy end points, and even if they do, our product candidates may not receive regulatory approval, and without regulatory approval we will not be able to market our product candidates;

- we have limited experience in conducting Phase 2 and Phase 3 clinical trials and have never submitted a new drug application, or NDA, before, and we may be unable to do so for SCY-078 or any future product candidate we may seek to develop;
- a significant use of anti-fungal drugs is treatment due to the presence of symptoms before diagnosis of the invasive fungal infections, and if a diagnostic tool is developed for the quick diagnosis of invasive fungal infections, the number of treatments using anti-fungal drugs may decrease significantly, decreasing the potential market for SCY-078; and
- we are substantially dependent on our agreement with Merial for generation of our revenue, and that agreement expires on December 31, 2014.

Corporate information

We were originally incorporated in Delaware in November 1999 as ScyRex, Inc. We subsequently changed our name to SCYNEXIS Chemistry & Automation, Inc. in April 2000 and to SCYNEXIS, Inc. in June 2002. Our principal executive offices are located at 3501 C Tricenter Boulevard, Durham, North Carolina 27713, and our telephone number is (919) 544-8600. Our website address is *www.scynexis.com*. The information contained on our website is not incorporated by reference into this prospectus, and you should not consider any information contained on, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase our common stock.

"SCYNEXIS," our logo and other trade names, trademarks and service marks of SCYNEXIS appearing in this prospectus are the property of SCYNEXIS. Other trade names, trademarks, and service marks appearing in this prospectus are the property of their respective holders.

Implications of Being an Emerging Growth Company

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or JOBS Act. As such, we are eligible for exemptions from various reporting requirements applicable to other public companies that are not emerging growth companies, including, but not limited to, not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and reduced disclosure obligations regarding executive compensation. The JOBS Act also provides that an emerging growth company can take advantage of an extended transition period for complying with new or revised accounting standards. This allows an emerging growth company to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards and, therefore, we will be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies. We intend to avail ourselves of all other exemptions.

We will remain an emerging growth company until the earlier of (1) the last day of the fiscal year (a) following the fifth anniversary of this offering, (b) in which we have total annual gross revenue of at least $1.0 billion, or (c) in which we are deemed to be a large accelerated filer, which means the market value of our common stock that is held by non-affiliates exceeds $700 million as of the prior June 30th, and (2) the date on which we have issued more than $1.0 billion in non-convertible debt securities during the prior three-year period.

The Offering	
Common stock offered by us	4,230,800 shares
Common stock to be outstanding immediately after this offering	15,719,773 shares
Underwriters' over-allotment option	The underwriters have an option to purchase up to 634,620 additional shares of common stock to cover over-allotments as described in "Underwriting."
Potential Insider Participation	Certain of our principal stockholders, including stockholders affiliated with our directors, have indicated an interest in purchasing up to an aggregate of approximately $4.0 million of shares of common stock in this offering at the public offering price. In addition, Sanofi has indicated an interest in purchasing 10% of the shares sold in this offering, up to $5.0 million. See "Transactions With Related Persons." Because these indications of interest are not binding agreements or commitments to purchase, these stockholders may elect not to purchase any shares in this offering, or the underwriters may elect not to sell any shares to them in this offering. The underwriters will receive the same discounts and commissions from any shares of our common stock purchased by these stockholders as they will from any other shares of our common stock sold to the public in this offering. Any shares purchased by these stockholders will be subject to the lock-up restrictions described in "Shares Eligible for Future Sale."
Use of proceeds	We estimate that the net proceeds from the issuance of our common stock in this offering will be approximately $47.6 million, or approximately $55.2 million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $13.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We intend to use approximately $30 million for clinical and preclinical costs associated with the completion of Phase 2 trials and the initiation of Phase 3 trials for our lead product candidate SCY-078, approximately $15.0 million to pay down our credit facility as it becomes due, and the remainder for working capital, capital expenditures and other general corporate purposes. See "Use of Proceeds" for additional information.
Risk factors	See "Risk Factors" beginning on page 9 and the other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.

Proposed NASDAQ Global Market symbol We have applied for the listing of our common stock on the NASDAQ Global Market under the symbol "SCYX."

The number of shares of our common stock to be outstanding after this offering is based on 11,488,973 shares of our common stock outstanding as of December 31, 2013 (including convertible preferred stock on an as-converted basis and the exercise of all outstanding common stock warrants issued with our convertible notes and convertible preferred stock), and excludes the following:

- 702,276 shares of our common stock issuable upon the exercise of stock options outstanding at a weighted-average exercise price of $5.07 per share;
- 253,177 shares of our common stock reserved for future issuance under our 2009 Stock Option Plan;
- 1,312,500 shares of our common stock reserved for future issuance under our 2014 Equity Incentive Plan;
- 243,750 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan; and
- 73,863 shares of our common stock issuable upon the exercise of common stock warrants and convertible preferred stock warrants outstanding at a weighted-average exercise price of $9.21 per share.

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

- a 1 for 4 reverse split of our common stock;
- the automatic conversion of 17,803,273 shares of our convertible preferred stock outstanding as of February 28, 2014, into an aggregate of 8,628,738 shares of our common stock immediately prior to the closing of this offering;
- the automatic conversion of all convertible preferred stock warrants outstanding as of February 28, 2014, into warrants to purchase an aggregate of 71,569 shares of our common stock immediately prior to the closing of this offering;
- the filing of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws immediately prior to the closing of this offering; and
- no exercise of the underwriters' over-allotment option to purchase up to 634,620 additional shares of our common stock.

Summary Financial Data

The following tables summarize our financial data and should be read together with the sections in this prospectus titled "Selected Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and related notes included elsewhere in this prospectus.

We have derived the statement of operations data for the years ended December 31, 2013 and 2012, and the balance sheet data as of December 31, 2013, from our audited financial statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results to be expected in the future.

	Year ended December 31,	
	2013	2012
	(in thousands, except share and per share data)	
Statement of operations data:		
Total revenue	$ 16,857	$ 16,837
Cost of revenue	16,305	14,364
Gross profit	552	2,473
Operating expenses:		
Research and development	4,363	8,927
Selling, general and administrative	4,381	4,742
Gain on sale of asset	(988)	(3,412)
Total operating expenses	7,756	10,257
Loss from operations	(7,204)	(7,784)
Other (expense) income:		
Amortization of deferred financing cost and debt discount	(3,485)	(2,918)
Interest expense for beneficial conversion feature	(10,802)	—
Interest expense-related party	(892)	(747)
Interest expense	(192)	(225)
Derivative fair value adjustment	(7,886)	185
Other income	—	12
Total other expense	(23,257)	(3,693)
Net loss	(30,461)	(11,477)
Deemed dividend for beneficial conversion feature on Series D-2 convertible preferred stock	(4,232)	—
Deemed dividend for antidilution adjustments to convertible preferred stock	(6,402)	—
Accretion of convertible preferred stock	(5,714)	—
Net loss attributable to common stockholders	$ (46,809)	$ (11,477)
Net loss per share attributable to common stockholders:		
Basic and diluted	$ (27.34)	$ (6.91)
Basic and diluted, pro forma(1)	$ (2.78)	
Weighted average common shares outstanding:		
Basic and diluted	1,711,921	1,660,709
Basic and diluted, pro forma(1)	8,064,720	
Stock-based compensation expense included above:		
Cost of revenue	$ 45	$ 103
Research and development	28	40
Selling, general and administrative	107	215

(1) Pro forma basic and diluted net loss per share have been calculated assuming the conversion of all outstanding shares of convertible preferred stock and the exercise of all common stock warrants issued with our convertible notes and convertible preferred stock into an aggregate of 9,784,947 shares of common stock as of the beginning of the applicable period or at the time of issuance, if later.

	As of December 31, 2013		
	Actual	Pro forma(1)	Pro forma as adjusted(2)(3)
	(in thousands)		
Balance sheet data:			
Cash and cash equivalents	$ 1,402	$ 1,454	$ 49,004
Working capital (deficit)	(15,524)	(15,472)	32,078
Total assets	12,387	12,439	59,989
Total stockholders' (deficit) equity	(108,109)	(8,700)	38,850

(1) The pro forma column reflects the conversion of all outstanding shares of our convertible preferred stock into an aggregate of 8,475,987 shares of common stock immediately prior to the closing of this offering. In addition, it reflects the exercise of all common stock warrants issued with our convertible notes and convertible preferred stock into an aggregate of 1,308,960 shares of common stock immediately prior to the closing of this offering and the resulting reclassification of a derivative liability of $12.2 million related to those common stock warrants to reduce stockholders' deficit.

(2) The pro forma as adjusted column reflects the pro forma adjustments described in footnote (1) above and the sale by us of 4,230,800 shares of common stock in this offering at an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(3) A $1.00 increase (decrease) in the assumed initial public offering price of $13.00 per share would increase (decrease) each of pro forma as adjusted cash and cash equivalents, working capital and total assets by $3.9 million and increase (decrease) pro forma as adjusted total stockholders' equity by $3.9 million, assuming the number of shares we are offering, as set forth on the cover page of this prospectus, remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. An increase (decrease) of 1,000,000 in the number of shares we are offering would increase (decrease) each of pro forma as adjusted cash and cash equivalents, working capital and total assets by approximately $12.1 million and increase (decrease) pro forma as adjusted stockholders' equity by approximately $12.1 million, assuming the assumed initial public offering price per share remains the same. The pro forma as adjusted information is illustrative only, and we will adjust this information based on the actual initial public offering price, number of shares offered and other terms of this offering determined at pricing.

RISK FACTORS

Investing in our common stock involves a high degree of risk. Before you invest in our common stock, you should carefully consider the following risks, as well as general economic and business risks and all of the other information contained in this prospectus. Any of the following risks could have a material adverse effect on our business, operating results and financial condition and cause the trading price of our common stock to decline, which would cause you to lose all or part of your investment. When determining whether to invest, you should also refer to the other information contained in this prospectus, including our financial statements and the related notes thereto.

Risks Relating to Our Financial Condition and Need for Additional Capital

We have never been profitable, we have no products approved for commercial sale, and to date we have not generated any revenue from product sales. As a result, our ability to curtail our losses and reach profitability is unproven, and we may never achieve or sustain profitability.

We are not profitable and do not expect to be profitable in the foreseeable future. We have incurred net losses in each year since our inception, including net losses of approximately $30.5 million and $11.5 million for the years ended December 31, 2013 and 2012, respectively. As of December 31, 2013, we had an accumulated deficit of approximately $113.3 million. Although we have generated revenues through our contract research and development services, these revenues have not been sufficient to support our business, and so in addition we have financed our operations through the sale of convertible preferred stock and convertible debt. We intend to devote a majority of our financial resources to the development of SCY-078, our lead product candidate, and to a much lesser extent to development of product candidates from our cyclophilin inhibitor platform. We have not generated any revenue from product sales. The report of our independent registered public accounting firm on our financial statements for the year ended December 31, 2013, includes an explanatory paragraph relating to our ability to continue as a going concern. We have suffered substantial losses from operations and require additional financing. Ultimately we need to generate additional revenues and attain profitable operations. These factors raise substantial doubt about our ability to continue as a going concern.

We expect to continue to incur significant expenses and increasing operating losses for the foreseeable future. The net losses we incur may fluctuate significantly from quarter to quarter. We anticipate that our expenses will increase substantially as we:

- continue the development of SCY-078;
- initiate clinical trials for SCY-078;
- seek marketing approvals for SCY-078;
- establish a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval;
- maintain, expand and protect our intellectual property portfolio;
- hire additional clinical, quality control and scientific personnel; and
- create additional infrastructure to support our operations as a public company.

In addition, our expenses could increase if we are required by the U.S. Food and Drug Administration, or the FDA, to perform studies in addition to, or that are larger than, those that we currently expect.

As a result of the foregoing, we expect to experience net losses and negative cash flows for the foreseeable future, and we are unable to predict when, or if, we will be able to achieve profitability. Our losses and negative cash flows have had, and will continue to have, an adverse effect on our stockholders' equity, financial position and working capital.

We expect a number of factors to cause our operating results to fluctuate on a quarterly and annual basis, which may make it difficult to predict our future performance.

Our financial condition and operating results have varied significantly in the past and will continue to fluctuate from quarter to quarter or year to year due to a variety of factors, many of which are beyond our control. The following factors relating to our business, as well as factors described elsewhere in this prospectus, may contribute to these fluctuations:

- the costs associated with developing SCY-078, which are difficult for us to predict;
- any delays in regulatory review and approval of SCY-078;
- delays in the timing of filing of a new drug application, or NDA, as well as commencement, enrollment and the timing of clinical testing, of SCY-078 or any other product candidates we may seek to develop;
- our ability to commercialize product candidates, both in the United States and overseas, if we are able to obtain regulatory approval to do so;
- the costs associated with obtaining and maintaining regulatory approval and ongoing company compliance and product compliance for SCY-078;
- the success of our providing contract research and development services;
- market acceptance of SCY-078 and any future product candidates we may seek to develop;
- changes in regulations and regulatory policies;
- competition from existing products or new products that may emerge;
- the ability of patients or healthcare providers to obtain coverage of, or sufficient reimbursement for, any products we are able to develop;
- our ability to establish or maintain collaborations, licensing or other arrangements;
- costs related to, and outcomes of, potential litigation;
- potential product liability claims; and
- potential liabilities associated with hazardous materials.

Due to the various factors mentioned above, and others, the results of any quarterly or annual periods should not be relied upon as indications of future operating performance.

We may continue to require substantial additional capital, and if we are unable to raise capital when needed we would be forced to delay, reduce or eliminate our development program for SCY-078.

Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is expensive. If the FDA requires that we perform additional studies beyond those that we currently expect, our expenses could increase beyond what we currently anticipate and the timing of any potential product approval may be delayed. We estimate that the net proceeds from this offering will be approximately $47.6 million, assuming an initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated expenses payable by us. We believe that the net proceeds from this offering will be sufficient to

meet our anticipated operating requirements through March 31, 2016. However, changing circumstances may cause us to consume capital more rapidly than we currently anticipate. We may need to raise additional funds from the issuance of equity and/or debt securities or otherwise obtain funding through strategic alliances or collaborations with third parties. In any event, we will require additional capital to complete development of, to seek regulatory approval for and, if approval is obtained, to commercialize SCY-078 and any future product candidates we may seek to develop. Raising funds in the current economic environment, when the capital markets have been affected by the global recession, may present additional challenges.

If we are required to secure additional financing, the additional fundraising efforts may divert our management from our day-to-day activities, which may adversely affect our ability to develop and commercialize SCY-078 and any future product candidates we may seek to develop. In addition, we cannot guarantee that financing will be available in sufficient amounts or on terms acceptable to us, if at all. If we are unable to raise additional capital when required or on acceptable terms, we may be required to:

- significantly delay, scale back or discontinue the development or commercialization of SCY-078 and any future product candidates we may seek to develop;
- seek strategic alliances for research and development programs at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available; or
- relinquish or license on unfavorable terms our rights to any product candidates that we otherwise would seek to develop or commercialize ourselves.

If we are required to conduct additional fundraising activities and we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we will be prevented from pursuing development and commercialization efforts, which will have a material adverse effect on our business, operating results and prospects.

Risks Relating to the Development, Regulatory Approval and Commercialization of Our Product Candidates For Human Use

Historically we have been primarily a contract research and development services company devoting a majority of our resources and efforts to providing research and development services to other companies, and we are only now shifting our focus to developing our own drug candidate SCY-078.

We were spun out from Aventis S.A., or Aventis, in 2000 as a chemistry and animal health services company, providing contract research services to third parties. Since then, we have derived substantially all of our revenue from providing these services to human and animal health companies to assist them in developing their own drug candidates. In the course of providing these services, we have leveraged the expertise to develop our own proprietary compounds, including a platform of cyclophilin inhibitors, among them SCY-635. In 2013, under the contract with Merck Sharp & Dohme Corp., or Merck, a subsidiary of Merck & Co., Inc., Merck exclusively licensed SCY-078 to us in the field of human health and in conjunction with that license transferred to us the investigational new drug application pending with the FDA and related regulatory responsibilities, as well as all data Merck had developed for the compound, plus active pharmaceutical ingredients and tablets. In 2014, Merck assigned the patents to us related to SCY-078 that it had exclusively licensed to us.

Although we have conducted Phase 1 and Phase 2 studies of SCY-635, our cyclophilin inhibitor, we only acquired the rights to develop SCY-078, our lead drug candidate for the treatment of invasive fungal infections, in May 2013. We do not have a significant history of developing our own drug candidates, and we have not brought any drug candidates to market, which makes it difficult to assess our ability to develop and commercialize SCY-078 and any future product candidates we may seek to develop or commercialize.

We cannot be certain that SCY-078 will receive regulatory approval, and without regulatory approval we will not be able to market SCY-078. Regulatory approval is a lengthy, expensive and uncertain process.

Our ability to generate significant revenue related to SCY-078 sales will depend on the successful development and regulatory approval of SCY-078. We expect that the earliest that we could obtain regulatory approval of SCY-078 and commence commercialization of SCY-078 will be several years from now, if at all.

We currently have no products approved for sale and we cannot guarantee that we will ever have marketable products. The development and commercialization of a product candidate, including preclinical and clinical testing, manufacturing, quality systems, labeling, approval, record-keeping, selling, promotion, marketing and distribution of products, is subject to extensive regulation by the FDA in the United States and regulatory authorities in other countries, with regulations differing from country to country. We are not permitted to market product candidates in the United States until and unless we receive approval of an NDA from the FDA. We have not submitted an NDA for SCY-078. Obtaining approval of an NDA is a lengthy, expensive and uncertain process. An NDA must include extensive preclinical and clinical data and supporting information to establish the product candidate's safety and effectiveness for each indication. The approval application must also include significant information regarding the chemistry, manufacturing and controls for the product. The regulatory development and review process typically takes years to complete, involves numerous uncertainties and the potential for concerns to emerge late in the development process, and approval is never guaranteed. Even if a product is approved, the FDA may limit the indications for which the product may be used, include extensive warnings on the product labeling or require costly ongoing requirements for post-marketing clinical studies and surveillance or other risk management measures to monitor the safety or efficacy of the product candidate. Markets outside of the United States also have requirements for approval of drug candidates with which we must comply prior to marketing. Obtaining regulatory approval for marketing of a product candidate in one country does not ensure we will be able to obtain regulatory approval in other countries, but a failure or delay in obtaining regulatory approval in one country may have a negative effect on the regulatory process in other countries. Also, any regulatory approval of a product candidate, once obtained, may be withdrawn. If SCY-078 or any of our other wholly-owned or partnered product candidates do not receive regulatory approval, we may not be able to generate sufficient revenue to become profitable or to continue our operations. Moreover, the filing of our NDA or the receipt of regulatory approval does not assure commercial success of any approved product.

Although the oral form of SCY-078 has been granted Qualified Infectious Disease Product status, this does not guarantee that the length of the FDA review process will be significantly shorter than otherwise, or that SCY-078 will ultimately be approved by the FDA.

We applied to the FDA for, and received, the designation of the oral form of SCY-078 as a Qualified Infectious Disease Product, or QIDP, under the Generating Antibiotic Incentive Now Act, or GAIN Act. We will be submitting an additional application to have the IV form of SCY-078 designated as a QIDP. There is no guarantee that the IV form of SCY-078 will be granted QIDP status. We anticipate that the QIDP designation will provide, among other benefits, an overall increased level of communication with the FDA during the development process as a fast track product, priority review once a NDA is submitted, and, if SCY-078 is approved for its proposed use and awarded five years of exclusivity as a new chemical entity, or NCE, SCY-078 will be eligible for a ten year period of data exclusivity, comprising five years of NCE exclusivity plus an additional five years as a designated QIDP. This exclusivity period should protect SCY-078 from being referenced in an abbreviated new drug application, or ANDA, in support of a generic drug, or a 505(b)(2) new drug application for a follow-on product until the expiration of the exclusivity period (which may be shortened by one year if an ANDA or 505(b)(2) applicant seeks to challenge any of the patents

that claim SCY-078). However, the primary framework of the GAIN Act became effective July 9, 2012, and as a relatively new law there is limited precedent for the way in which it will be implemented. Receipt of QIDP designation in practice may not result in a faster development process, review or approval compared to drugs considered for approval under conventional FDA procedures and does not assure ultimate approval by the FDA or related exclusivity benefits.

Delays in the commencement, enrollment and completion of clinical trials could result in increased costs to us and delay or limit our ability to obtain regulatory approval for SCY-078 or any future product candidates.

We do not know whether clinical trials of SCY-078 or any future product candidates we may seek to develop will be allowed to commence or, if commenced, will be completed on schedule or at all. The commencement, enrollment and completion of clinical trials can be delayed for a variety of reasons, including:

- inability to reach agreements on acceptable terms with prospective clinical research organizations, or CROs, and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- difficulty identifying and engaging qualified clinical investigators;
- regulatory objections to commencing a clinical trial or proceeding to the next phase of investigation, including inability to reach agreement with the FDA or non-U.S. regulators regarding the scope or design of our clinical trials or for other reasons such as safety concerns that might be identified during preclinical development or early stage clinical trials;
- inability to identify and maintain a sufficient number of trial sites, many of which may already be engaged in other clinical trial programs, including some that may be for the same indication as our product candidates;
- withdrawal of clinical trial sites from our clinical trials as a result of changing standards of care or the ineligibility of a site to participate in our clinical trials;
- inability to obtain institutional review board approval to conduct a clinical trial at prospective sites;
- difficulty recruiting and enrolling patients to participate in clinical trials for a variety of reasons, including meeting the enrollment criteria for our study and competition from other clinical trial programs for the same indication as product candidates we seek to commercialize;
- inability to retain patients in clinical trials due to the treatment protocol, personal issues, side effects from the therapy or lack of efficacy, particularly for those patients receiving a placebo; and
- inability to obtain sufficient funding to commence a clinical trial.

In addition, a clinical trial may be suspended or terminated by us, our current or any future partners, the FDA or other regulatory authorities due to a number of factors, including:

- failure by us, CROs or clinical investigators to conduct the clinical trial in accordance with regulatory requirements or our clinical protocols;
- failed inspection of the clinical trial operations or trial sites by the FDA or other regulatory authorities;
- unforeseen safety or efficacy issues or any determination that a clinical trial presents unacceptable health risks; or
- lack of adequate funding to continue the clinical trial due to unforeseen costs resulting from enrollment delays, requirements to conduct additional trials and studies, increased expenses associated with the services of our CROs and other third parties, or other reasons.

If we are required to conduct additional clinical trials or other testing of SCY-078 or any future product candidates we may seek to develop, we may be delayed in obtaining, or may not be able to obtain, marketing approval for these product candidates.

In addition, if our current or any future partners have rights to and responsibility for development of SCY-078 or any future product candidates, they may fail to meet their obligations to develop and commercialize the product candidates, including clinical trials for these product candidates.

Changes in regulatory requirements and guidance may occur and we or any of our partners may be required by appropriate regulatory authorities to amend clinical trial protocols to reflect these changes. Amendments may require us or any of our partners to resubmit clinical trial protocols to independent review boards for re-examination, which may impact the costs, timing or successful completion of a clinical trial. If we or any of our partners experience delays in the completion of, or if we or our partners terminate, clinical trials, the commercial prospects for SCY-078 and any future product candidates we may seek to develop will be harmed, and our ability to generate revenue from sales of these product candidates will be prevented or delayed. In addition, many of the factors that cause, or lead to, a delay in the commencement or completion of clinical trials may also ultimately lead to the denial of regulatory approval of a product candidate.

Clinical failure can occur at any stage of clinical development. Because the results of earlier clinical trials are not necessarily predictive of future results, any product candidate we or our current or potential future partners advance through clinical trials may not have favorable results in later clinical trials or receive regulatory approval.

Clinical failure can occur at any stage of our clinical development. Clinical trials may produce negative or inconclusive results, and we or our partners may decide, or regulators may require us, to conduct additional clinical or preclinical testing. In addition, data obtained from tests are susceptible to varying interpretations, and regulators may not interpret data as favorably as we do, which may delay, limit or prevent regulatory approval. Success in preclinical testing and early clinical trials does not ensure that later clinical trials will generate the same results or otherwise provide adequate data to demonstrate the efficacy and safety of a product candidate. Frequently, product candidates that have shown promising results in early clinical trials have subsequently suffered significant setbacks in later clinical trials. In addition, the design of a clinical trial can determine whether its results will support approval of a product application, or approval of a supplemental application to add a new indication or other changes and flaws or shortcomings in the design of a clinical trial may not become apparent until the clinical trial is well advanced. We have limited experience in designing clinical trials and may be unable to design and execute a clinical trial to support regulatory approval, or approval of supplemental applications for new indications or other changes. Further, clinical trials of potential products often reveal that it is not practical or feasible to continue development efforts. If SCY-078 or any future product candidates are found to be unsafe or lack efficacy, we or our collaborators will not be able to obtain regulatory approval for them and our business would be harmed. For example, if the results of our planned Phase 2 and Phase 3 clinical trials of SCY-078 do not achieve, to the satisfaction of regulators, the primary efficacy endpoints and demonstrate an acceptable level of safety, the prospects for approval of SCY-078 would be materially and adversely affected. A number of companies in the pharmaceutical industry, including those with greater resources and experience than us, have suffered significant setbacks in Phase 2 and Phase 3 clinical trials, even after seeing promising results in earlier clinical trials.

In some instances, there can be significant variability in safety and/or efficacy results between different trials of the same product candidate due to numerous factors, including differences in trial protocols and design, differences in size and type of the patient populations, adherence to the dosing regimen and the rate of dropout among clinical trial participants. Further, the patients taking SCY-078 often have other

significant medical issues, such as organ transplants, cancer or other conditions in which their immune systems are depressed, which makes it difficult to measure the effect of SCY-078 in the presence of these medical issues. We do not know whether any Phase 2, Phase 3 or other clinical trials we or any partners may conduct will demonstrate consistent and/or adequate efficacy and safety to obtain regulatory approval to market SCY-078 and any future product candidates we may seek to develop.

We have limited experience in conducting Phase 2 and Phase 3 clinical trials and have never submitted an NDA before, and we may be unable to do so for SCY-078 or any future product candidate we may seek to develop.

Merck completed seven Phase 1 clinical trials of SCY-078, and we are planning to conduct Phase 2 and Phase 3 clinical trials of SCY-078. The conduct of successful Phase 2 and Phase 3 clinical trials is essential in obtaining regulatory approval, and the submission of a successful NDA is a complicated process. We have limited experience in preparing and submitting regulatory filings, have previously only sponsored one Phase 2 clinical trial, and have not previously sponsored any Phase 3 clinical trials nor have we ever submitted an NDA before. Consequently, we may be unable to successfully and efficiently execute and complete these planned clinical trials in a way that is acceptable to the FDA and leads to an NDA submission, acceptance and approval of SCY-078 or any future product candidate we may seek to develop. We may require more time and incur greater costs than our competitors and may not succeed in obtaining regulatory approvals of product candidates that we may seek to develop. In addition, failure to commence or complete, or delays in, our planned clinical trials would prevent us from or delay us in commercializing SCY-078 or any future product candidate we may develop.

We have not yet finalized the protocol for our planned Phase 2 study or studies of SCY-078, and are still in discussions with the FDA regarding anticipated indications and study endpoints.

Following the transfer by Merck to us of ownership and responsibility for the clinical development and NDA related to SCY-078, we assessed the regulatory history and initiated discussions with the FDA to obtain clarity on several open questions regarding the clinical development plan for SCY-078. Our most recent meeting with the FDA was in September 2013, and while we obtained feedback at this meeting, there are still some open questions under consideration by the FDA and our Phase 2 protocol is still being finalized. We do not know when, if at all, we will be able to finalize the protocol.

The environment in which our regulatory submissions may be reviewed changes over time, which may make it more difficult to obtain regulatory approval of any of our product candidates we may seek to develop or commercialize.

The environment in which our regulatory submissions are reviewed changes over time. For example, average review times at the FDA for NDAs have fluctuated over the last ten years, and we cannot predict the review time for any submission with any regulatory authorities. Review times can be affected by a variety of factors, including budget and funding levels and statutory, regulatory and policy changes. Moreover, in light of widely publicized events concerning the safety risk of certain drug products, regulatory authorities, members of Congress, the Government Accountability Office, medical professionals and the general public have raised concerns about potential drug safety issues. These events have resulted in the withdrawal of drug products, revisions to drug labeling that further limit use of the drug products and establishment of risk evaluation and mitigation strategies that may, for instance, restrict distribution of drug products. The increased attention to drug safety issues may result in a more cautious approach by the FDA to clinical trials. Data from preclinical studies and clinical trials may receive greater scrutiny with respect to safety, which may make the FDA or other regulatory authorities more likely to terminate clinical trials

before completion, or require longer or additional clinical trials that may result in substantial additional expense, a delay or failure in obtaining approval or approval for a more limited indication than originally sought.

In addition, data obtained from preclinical studies and clinical trials are subject to different interpretations, which could delay, limit or prevent regulatory review or approval of product candidates. Changes in FDA personnel responsible for review of our submissions could also impact the manner in which our data are viewed. Furthermore, regulatory attitudes towards the data and results required to demonstrate safety and efficacy can change over time and can be affected by many factors, such as the emergence of new information, including on other products, policy changes and agency funding, staffing and leadership. We do not know whether future changes to the regulatory environment will be favorable or unfavorable to our business prospects.

If SCY-078 or any other future product candidates for which we receive regulatory approval do not achieve broad market acceptance, the revenue that is generated from their sales will be limited.

The commercial success of SCY-078 or any other product candidates we may seek to develop will depend upon the acceptance of these products candidates among physicians, patients, the medical community and healthcare payors. The degree of market acceptance of product candidates will depend on a number of factors, including:

- limitations or warnings contained in the FDA-approved labeling;
- changes in the standard of care for the targeted indications;
- limitations in the approved indications;
- availability of alternative therapies with potentially advantageous results, or other products with similar results at similar or lower cost, including generics and over-the-counter products;
- lower demonstrated clinical safety or efficacy compared to other products;
- occurrence of significant adverse side effects;
- ineffective sales, marketing and distribution support;
- lack of availability of reimbursement from managed care plans and other third-party payors;
- timing of market introduction and perceived effectiveness of competitive products;
- lack of cost-effectiveness;
- adverse publicity about our product candidates or favorable publicity about competitive products;
- lack of convenience and ease of administration; and
- potential product liability claims.

If SCY-078 or any future product candidates we may seek to develop are approved, but do not achieve an adequate level of acceptance by physicians, healthcare payors and patients, sufficient revenue may not be generated from these product candidates, and we may not become or remain profitable. In addition, efforts to educate the medical community and third-party payors on the benefits of our product candidates may require significant resources and may never be successful.

A significant use of anti-fungal drugs is treatment due to the presence of symptoms before diagnosis of the invasive fungal infections, and if a diagnostic tool is developed for the quick diagnosis of invasive fungal infections, the number of treatments using anti-fungal drugs may decrease significantly, decreasing the potential market for SCY-078.

We believe that a large portion of the treatments using anti-fungal drugs are administered when symptoms of invasive fungal infections are present but a diagnosis of the infection has not yet been made, due to the quick and potentially fatal progression of invasive fungal infections. If a diagnostic tool is developed for the quick diagnosis of invasive fungal infections, then the need to treat in advance of diagnosis of invasive fungal infections may be significantly diminished, which will reduce the potential market for SCY-078 in the event that we are able to obtain FDA approval of SCY-078. Moreover, if a fast and accurate test of the susceptibility of a fungal infection to generically available treatments is developed and widely adopted, the market for SCY-078 may suffer.

If invasive fungi develop resistance to SCY-078, our business will be harmed.

One or more strains of invasive fungi may develop resistance to SCY-078, either because our hypothesis of the mechanism of action is incorrect or because a strain of fungi undergoes some unforeseen genetic mutation that permits it to survive. Since we expect lack of resistance to be a major factor in the commercialization of SCY-078, the development of such resistance would have a major adverse impact on the acceptability and sales of SCY-078.

If we are unable to develop a formulation of SCY-078 that is delivered by intravenous, or IV, therapy SCY-078 may not achieve broad market acceptance and sales will be limited.

Current invasive fungal infection treatment regimens typically involve initial administration of treatments as an IV infusion, with a step down to an oral formulation of the same or a similar medication to complete the course of treatment on an out-patient basis. We believe that providing both the IV and oral formulations will be beneficial to doctors who prefer to start treatment of patients in a hospital setting with an IV therapy and then switch them to an oral formulation of the same medication. We currently have an oral form of SCY-078, and intend to develop an IV formulation. If we are unable to successfully develop and achieve regulatory approval for our IV formulation of SCY-078, or are delayed in developing and obtaining regulatory approval for our IV formulation of SCY-078, our lead product candidate may not achieve, or may be delayed in achieving, broad market acceptance and sales will be limited.

Our product candidates may have undesirable side effects that may delay or prevent marketing approval, or, if approval is received, require them to be taken off the market or otherwise limit their sales.

It is impossible to predict when or if SCY-078 or any other product candidate we may seek to develop will prove effective or safe or will receive marketing approval. Unforeseen side effects from any product candidates could arise either during clinical development or, if approved, after the product has been marketed. For example, the most frequently noted adverse effects reported as associated with SCY-078 treatment in the seven Phase 1 studies of SCY-078 conducted to date were diarrhea, abdominal pain, headache, nausea, fatigue, increased orthostatic heart rate, abnormal GI sounds, vomiting and dizziness. To date there have been two serious adverse events reported in clinical trials of SCY-078: one subject was diagnosed with a metastatic carcinoid tumor which was not considered to be related to SCY-078 by the investigator; and one subject experienced significant liver function test increases which were considered to be related to SCY-078. Preclinical findings in the future could trigger the need to evaluate or monitor for specific potential safety concerns in clinical trials. The results of future clinical trials may show that SCY-078 and any future product candidates we may seek to develop cause undesirable or unacceptable side

effects, which could interrupt, delay or halt clinical trials, resulting in delay of, or failure to obtain, marketing approval from the FDA and other regulatory authorities, or may lead us to abandon their development altogether.

Even if SCY-078 or any future product candidate we may seek to develop receives marketing approval, we or others may subsequently identify undesirable or unacceptable side effects caused by these products, in which case:

- regulatory authorities may require the addition of labeling statements, specific warnings, precautions, contraindications or field alerts to physicians and pharmacies;
- we may be required to change the way the product is administered, conduct additional clinical trials or change the labeling of the product;
- we may have limitations on how we promote the product;
- sales of the product may decrease significantly;
- regulatory authorities may require us to take our approved product off the market;
- we may be subject to litigation or product liability claims; and
- our reputation may suffer.

Any of these events could prevent us or our current or potential future partners from achieving or maintaining market acceptance of the affected product or could substantially increase commercialization costs and expenses, which in turn could delay or prevent us from generating significant revenue from the sale of products.

We have never marketed a drug before, and if we are unable to establish an effective sales force and marketing infrastructure or enter into acceptable third-party sales and marketing or licensing arrangements, we may not be able to successfully commercialize SCY-078 and any future product candidates we may seek to develop.

We currently do not have any sales, distribution and marketing capabilities, the development of which will require substantial resources and will be time consuming. The costs incurred in the development of these capabilities, either internally or through a third-party contract sales organization, would be incurred in advance of any approval of a product candidate. In addition, we may not be able to hire a sales force in the United States that is sufficient in size or has adequate expertise in the medical markets that we intend to target. If we are unable to establish our sales force and marketing capability, our operating results may be adversely affected. In addition, we plan to enter into sales and marketing or licensing arrangements with third parties for international sales of any approved products. If we are unable to enter into or maintain any such arrangements on acceptable terms, or at all, we may be unable to market and sell SCY-078 or any future product candidates we may seek to develop in these markets.

We expect that SCY-078 and any future product candidates we may seek to develop will face competition, and most of our competitors have significantly greater resources than we do.

The pharmaceutical industry is highly competitive, with a number of established, large pharmaceutical companies, as well as many smaller companies. There are many foreign and domestic pharmaceutical companies, biotechnology companies, public and private universities, government agencies and research organizations actively engaged in research and development of products that may target the same markets as SCY-078 and any future product candidates we may seek to develop. We expect any products we develop to compete on the basis of, among other things, product efficacy, price, lack of significant adverse side

effects and convenience and ease of treatment. For example, SCY-078 will compete against current leading anti-fungal drugs, including voriconazole from the azole class, caspofungin from the echinocandin class, and liposomal amphotericin B from the polyenes class.

Compared to us, many of our competitors in the anti-fungal market have, and potential competitors for any future product candidates we may seek to develop may have, substantially greater:

- resources, including capital, personnel and technology;
- research and development capability;
- clinical trial expertise;
- regulatory expertise;
- intellectual property portfolios;
- expertise in prosecution of intellectual property rights;
- manufacturing and distribution expertise; and
- sales and marketing expertise.

As a result of these factors, our competitors and potential competitors may obtain regulatory approval of their products more rapidly than we do. Our competitors and potential competitors may also develop drugs that are more effective, more widely used and less costly than ours and may also be more successful than us in manufacturing and marketing their products and maintaining compliance with ongoing regulatory compliance.

Reimbursement decisions by third-party payors may have an adverse effect on pricing and market acceptance in the United States. If there is not sufficient reimbursement for our products, it is less likely that our products will be purchased by patients and/or providers.

Successful commercialization of pharmaceutical products usually depends on the availability of adequate coverage and reimbursement from third-party payors, including commercial insurers and, under certain circumstances, federal and state healthcare programs. Patients and/or healthcare providers who purchase drugs generally rely on third-party payors to reimburse all or part of the costs associated with such products. As such, adequate coverage and reimbursement from third-party payors can be essential to new product acceptance and may have an effect on pricing.

Because SCY-078 is not currently commercially available, we do not know the extent to which it will be reimbursed if it is approved by the FDA. If we choose to bring other product candidates to market, they will be subject to similar uncertainty. We believe that SCY-078 and any other product candidates that are brought to market are less likely to be purchased by patients and/or providers if they are not adequately reimbursed by third-party payors.

Furthermore, the market for our product candidates may depend on access to third-party payors' drug formularies, or lists of medications for which third-party payors provide coverage and reimbursement. Industry competition to be included in such formularies results in downward pricing pressures on pharmaceutical companies. Third-party payors may refuse to include a particular branded drug in their formularies when a competing generic product is available. The adoption of certain payment methodologies by third-party payors may limit our ability to profit from the sale of SCY-078. For example, under Medicare, hospitals are reimbursed under an inpatient prospective payment system. This pricing methodology provides a single payment amount to hospitals based on a given diagnosis-related group. As a result, with respect to Medicare reimbursement for services in the hospital inpatient setting, hospitals could

have a financial incentive to use the least expensive drugs for the treatment of invasive fungal infections, particularly the IV formulations of these drugs, as they are typically administered in the hospital, which may significantly impact our ability to charge a premium for SCY-078.

All third-party payors, whether governmental or commercial, are developing increasingly sophisticated methods of controlling healthcare costs, including mechanisms to encourage the use of generic drugs. Congress has also considered policies to lower the reimbursement formulas in federal and state healthcare programs. Furthermore, coverage of, and reimbursement for, drugs can differ significantly from payor to payor and may require significant time and resources to obtain. In addition, new laws or regulations could impact future coverage and reimbursement.

Healthcare policy changes, including the Affordable Care Act, may have a material adverse effect on us.

In recent years, there have been numerous initiatives on the federal and state levels for comprehensive reforms affecting the payment for, the availability of and reimbursement for healthcare services in the United States, including pharmaceutical products. These initiatives have ranged from proposals to fundamentally change federal and state healthcare reimbursement programs, including providing comprehensive healthcare coverage to the public under governmental funded programs, to minor modifications to existing programs.

In March 2010, Congress enacted the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or the Affordable Care Act. The Affordable Care Act is designed to expand access to affordable health insurance, control healthcare spending, and improve healthcare quality. The law includes provisions to tie Medicare provider reimbursement to healthcare quality and incentives, mandatory compliance programs, enhanced transparency disclosure requirements, increased funding and initiatives to address fraud and abuse, and incentives to state Medicaid programs to expand their coverage and services. It also imposes an annual tax on pharmaceutical manufacturers or importers who sell “branded prescription drugs.” Implementation of the Affordable Care Act is occurring on an ongoing basis, and it is unclear what effect the Affordable Care Act or other state proposals may have on our business.

In addition to the Affordable Care Act, there will continue to be proposals by legislators at both the federal and state levels, regulators and third-party payors to keep drug costs down. Certain of these changes could impose limitations on the prices we will be able to charge for any products that are approved or the amounts of reimbursement available for these products from governmental agencies or third-party payors or may increase the tax requirements for life sciences companies such as ours. We anticipate that the Affordable Care Act and other future healthcare reform proposals could have a material adverse effect on our industry, and may limit our ability to commercialize SCY-078 and any future product candidates we may seek to develop and/or invest in new development.

We expect that a portion of the market for SCY-078 and any other product candidates we may seek to develop will be outside the United States. However, our product candidates may never receive approval or be commercialized outside of the United States.

Before we or any commercial partners can market and commercialize any product candidates outside of the United States, there are numerous and varying regulatory requirements of other countries that will apply. Research and marketing authorization procedures vary among countries and can involve additional product testing and administrative review periods. The marketing authorization process in other countries may include all of the risks detailed above regarding failure to obtain FDA approval in the United States as well as other risks. Regulatory approval in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country, or identification of potential safety concerns in one country, may have a negative effect on the regulatory process in others. Failure to obtain

regulatory approval in other countries or any delay or setback in obtaining such approval could have the same adverse effects detailed above regarding FDA approval in the United States. As described above, such effects include the risks that:

- SCY-078 and any future product candidates we may seek to develop may not generate preclinical or clinical data that are deemed sufficient by regulators in a given jurisdiction;
- SCY-078 may not be approved for all indications requested, or any indications at all, in a given jurisdiction which could limit the uses of SCY-078 and any future product candidates we may seek to develop and have an adverse effect on product sales and potential royalties; and
- such approval in a given jurisdiction may be subject to limitations on the indicated uses for which the product may be marketed or require costly post-marketing follow-up studies.

Foreign countries may have requirements for marketing authorization holders or distributors to have a legal or physical presence in that country, and consideration of and compliance with these requirements may result in additional time and expense before we can pursue or obtain marketing authorization in foreign jurisdictions. If we do receive approval in other countries, we may enter into sales and marketing arrangements with third parties for international sales of any approved products.

Even if SCY-078 or any other future product candidates we may seek to develop receive regulatory approval, we may still face future development and regulatory difficulties.

Even if regulatory approval is obtained for SCY-078 or any other future product candidates we may seek to develop, regulatory authorities may still impose significant restrictions on a product's indicated uses or marketing or impose ongoing requirements for potentially costly post-approval studies. Given the number of high profile adverse safety events with certain drug products, regulatory authorities may require, as a condition of approval, costly risk evaluation and mitigation strategies, which may include safety surveillance, restricted distribution and use, patient education, enhanced labeling, expedited reporting of certain adverse events, pre-approval of promotional materials and restrictions on direct-to-consumer advertising. For example, any labeling approved for any of our product candidates may include a restriction on the term of its use, or it may not include one or more intended indications. Furthermore, any new legislation addressing drug safety issues could result in delays or increased costs during the period of product development, clinical trials and regulatory review and approval, as well as increased costs to assure compliance with any new post-approval regulatory requirements. Any of these restrictions or requirements could force us or our partners to conduct costly studies.

SCY-078 and any other future product candidates we may seek to develop will also be subject to ongoing regulatory requirements for the packaging, storage, advertising, promotion, record-keeping and submission of safety and other post-market information on the drug. In addition, approved products, manufacturers and manufacturers' facilities are required to comply with extensive FDA requirements, including ensuring that quality control and manufacturing procedures conform to current Good Manufacturing Practices, or cGMP. As such, we and our contract manufacturers, which we will be responsible for overseeing and monitoring for compliance, are subject to continual review and periodic inspections to assess compliance with cGMP. Accordingly, we and others with whom we work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control. The FDA may hold us responsible for any deficiencies or noncompliance of our contract manufacturers in relation to SCY-078 and any other future product candidates we may seek to develop. Failure to follow cGMP can result in products being deemed adulterated, which carries significant legal implications. We will also be required to engage in pharmacovigilance activities and report certain adverse reactions and production problems, if any, to the FDA and to comply with certain requirements concerning advertising and promotion for products. Promotional communications with respect to

prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved label. As such, we may not promote products for indications or uses for which they do not have approval. Failure to comply with FDA advertising and promotion standards, which are often subject to interpretation by regulators, may result in a wide range of exposure and liability for us.

If a regulatory agency discovers previously unknown problems with a product, such as adverse events of unanticipated severity or frequency, or problems with the facility where the product is manufactured or disagrees with the promotion, marketing or labeling of a product, a regulatory agency may impose restrictions on that product or us, including requiring withdrawal of the product from the market. If the manufacturing or marketing of products fail to comply with applicable regulatory requirements, a regulatory agency may:

- issue warning letters;
- mandate modifications to promotional materials or require us to provide corrective information to healthcare practitioners;
- require us or our partners to enter into a consent decree, which can include imposition of various fines, reimbursements for inspection costs, required due dates for specific actions and penalties for noncompliance;
- impose other civil or criminal penalties;
- suspend regulatory approval;
- suspend any ongoing clinical trials;
- refuse to approve pending applications or supplements to approved applications filed by us, our partners or our potential future partners;
- impose restrictions on operations, including costly new manufacturing requirements; or
- seize or detain products or require a product recall.

Non-compliance may also open a company to potential whistleblower lawsuits, and the potential for liability under the False Claims Act.

Pharmaceutical companies are subject to significant ongoing regulatory obligations and oversight, which may result in significant additional expense and limit our ability to commercialize our products.

We are subject to regulation by other regional, national, state and local agencies, including the Department of Justice, the Office of Inspector General of the U.S. Department of Health and Human Services and other regulatory bodies. Violations of any of the foregoing requirements could result in penalties being assessed against us.

The federal Anti-Kickback Statute prohibits, among other things, knowingly and willfully offering, paying, soliciting, or receiving remuneration to induce or in return for purchasing, leasing, ordering or arranging for the purchase, lease or order of any healthcare item or service reimbursable under Medicare, Medicaid or other federally financed healthcare programs. This statute has been interpreted to apply to arrangements between pharmaceutical companies on one hand and prescribers, purchasers and formulary managers on the other. The Affordable Care Act, among other things, clarified that a person or entity need not have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it. In addition, the Affordable Care Act amended the federal civil False Claims Act to provide that a claim that includes items or services resulting from a violation of the federal anti-kickback statute, constitutes a false or

fraudulent claim for purposes of the federal civil False Claims Act. There are a number of statutory exceptions and regulatory safe harbors protecting certain common activities from prosecution or other regulatory sanctions, however, the exceptions and safe harbors are drawn narrowly, and practices that do not fit squarely within an exception or safe harbor may be subject to scrutiny.

The federal civil False Claims Act prohibits any person from knowingly presenting, or causing to be presented, claims for payment of government funds that are false or fraudulent or knowingly making, or causing to be made, a false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government. Many pharmaceutical and other healthcare companies have been investigated and have reached substantial financial settlements with the federal government under these laws for a variety of alleged marketing activities, including providing free product to customers with the expectation that the customers would bill federal programs for the product; providing consulting fees, grants, free travel, and other benefits to physicians to induce them to prescribe the company's products; and inflating prices reported to private price publication services, which are used to set drug payment rates under government healthcare programs. Companies have been prosecuted for causing false claims to be submitted because of the marketing of their products for unapproved uses. Pharmaceutical and other healthcare companies have also been prosecuted on other legal theories of Medicare and Medicaid fraud.

The majority of states also have statutes or regulations similar to the federal Anti-Kickback Statute and federal civil False Claims Act, which apply to items and services reimbursed under Medicaid and other state programs, or, in several states, apply regardless of the payor. Some of these states also prohibit certain marketing related activities including the provision of gifts, meals, or other items to certain health care providers. In addition, California, Connecticut, Nevada, and Massachusetts require pharmaceutical companies to implement compliance programs or marketing codes.

Compliance with various federal and state laws is difficult and time consuming, and companies that violate them may face substantial penalties. The potential sanctions include civil monetary penalties, exclusion of a company's products from reimbursement under government programs, criminal fines and imprisonment. Because of the breadth of these laws and the lack of extensive legal guidance in the form of regulations or court decisions, it is possible that some of our business activities or those of our commercial partners could be subject to challenge under one or more of these laws. Such a challenge could have a material adverse effect on our business and financial condition and growth prospects.

We could become subject to government investigations and related subpoenas. Such subpoenas are often associated with previously filed qui tam actions, or lawsuits filed under seal under the federal civil False Claims Act. Qui tam actions are brought by private plaintiffs suing on behalf of the federal government for alleged federal civil False Claims Act violations. The time and expense associated with responding to such subpoenas, and any related qui tam or other actions, may be extensive, and we cannot predict the results of our review of the responsive documents and underlying facts or the results of such actions. Responding to government investigations, defending any claims raised, and any resulting fines, restitution, damages and penalties, settlement payments or administrative actions, as well as any related actions brought by stockholders or other third parties, could have a material impact on our reputation, business and financial condition and divert the attention of our management from operating our business.

The number and complexity of both federal and state laws continues to increase, and additional governmental resources are being added to enforce these laws and to prosecute companies and individuals who are believed to be violating them. In particular, the Affordable Care Act includes a number of provisions aimed at strengthening the government's ability to pursue federal Anti-Kickback Statute and federal False Claims Act cases against pharmaceutical manufacturers and other healthcare entities, including substantially increased funding for healthcare fraud enforcement activities, enhanced investigative powers, and amendments to the federal False Claims Act that make it easier for the government and whistleblowers

to pursue cases for alleged kickback and false claim violations. Responding to a government investigation or enforcement action would be expensive and time-consuming, and could have a material adverse effect on our business and financial condition and growth prospects.

If we fail to comply with applicable federal, state, or local regulatory requirements, we could be subject to a range of regulatory actions that could affect our ability to commercialize our products and could harm or prevent sales of any affected products that we are able to commercialize, or could substantially increase the costs and expenses of commercializing and marketing our products. Any threatened or actual government enforcement action could also generate adverse publicity and require that we devote substantial resources that could otherwise be used in other aspects of our business.

Regulations, guidelines and recommendations published by various government agencies and organizations may affect the use of SCY-078 and any future product candidates we may seek to develop.

Government agencies may issue regulations and guidelines directly applicable to us, our partners or our potential future partners and our product candidates. In addition, professional societies, practice management groups, private health/science foundations and organizations involved in various diseases from time to time publish guidelines or recommendations to the healthcare and patient communities. These various sorts of recommendations may relate to such matters as product usage, dosage, route of administration and use of related or competing therapies. Changes to these recommendations or other guidelines advocating alternative therapies could result in decreased use of SCY-078 and any future product candidates we may seek to develop, which may adversely affect our results of operations.

Risks Relating to Our Contract Research and Development Services

We are substantially dependent on our agreement with Merial for generation of our revenues, and that agreement expires on December 31, 2014.

We have a research services contract with Merial Limited, or Merial, under which we perform research services for Merial, including the synthesis, purification, and characterization of individual or libraries of compounds, phenotypic screening of compounds, and further testing and optimizing of compounds to support the development of animal health products, which agreement expires on December 31, 2014. Revenues from this contract have accounted for 43% and 44% of our total revenues for the years ended December 31, 2013 and 2012, respectively. If we are not able to extend or replace this contract upon expiration, or if this contract were to terminate prior to December 31, 2014, our ability to generate revenues prior to the commercialization of SCY-078 would be significantly impaired. Merial may also terminate the agreement prior to December 31, 2014 under specified circumstances, including in the event of breach by us of a material obligation if such breach is not remedied after written notice from Merial, or if Merial believes in good faith that we have acted in any way that may subject Merial to liability under anti-corruption laws. During the term and for a period of one year after termination of this agreement for any reason, we cannot provide services to another animal health company using the same intellectual property developed under this agreement, which could also significantly impair our ability to generate revenue from our contract research and development services should this contract terminate.

We face potential liability and exposure as a result of the performance of our contract research and development services, and if successful claims are brought against us, we may incur substantial liability, which may exceed the revenues we have received for the performance of our contract research and development services.

To date substantially all of our revenue has been generated from the provision of our contract research and development services. In the event that a regulator asserts that we have conducted activities in a non-compliant manner or a customer asserts that we have conducted our contract research and development services negligently, or otherwise asserts that as a result of the performance of our contract research and development services for that client we have somehow harmed their business or the prospects of their product candidates, we could be subject to litigation, which could divert management's attention from the operation of our business, including the development of SCY-078. Further, if such litigation is successful, or if we determine that we must settle the litigation, we could be forced to pay substantial damages, which could be more than the revenues that we generated from that customer, as the services that we perform are only a small portion of the development efforts of our customers. Even if we are successful in defending any such claims, we could incur substantial legal costs to do so. Further, publicity of any such litigation or claims could hurt the reputation of our ability to perform contract research and development services, which could cause revenue generated from our contract research and development services to decline. Any such litigation against us could result in substantial costs and divert our management's attention from other business concerns, which could seriously harm our business.

Risks Related to Our Dependence on Third Parties

We are dependent on our existing third-party collaboration with R-Pharm to commercialize SCY-078 in the Russian Federation and certain other countries, and if R-Pharm is not successful in commercializing SCY-078 in those countries, we will lose a significant source of revenue.

We currently have a development license and supply agreement with R-Pharm, CJSC, or R-Pharm, a leading supplier of hospital drugs in Russia, pursuant to which we license to R-Pharm rights to develop and commercialize SCY-078 in the field of human health in Russia and certain smaller non-core markets. R-Pharm will pay us milestone payments upon the achievement of specified milestones, including registration of SCY-078 in a country and upon the achievement of specified levels of sales. In addition, R-Pharm will pay us royalties upon sales of SCY-078 by R-Pharm. We are relying on R-Pharm to commercialize SCY-078 in the countries covered by our agreement with it, and if R-Pharm is not able to commercialize SCY-078 in those countries, or determines not to pursue commercialization of SCY-078 in those countries, we will not receive any milestone or royalty payments under the agreement.

We are dependent on other third-party collaborations to develop and commercialize product candidates we have outlicensed, and if our third-party collaborators are not successful in developing and commercializing product candidates we have outlicensed, we will not receive any revenue from these collaborations.

A significant portion of our strategy is to license to third parties rights to develop and commercialize product candidates we have discovered other than SCY-078, and if these third parties do not perform under our agreements with them, we will not receive any revenue from these collaborations. For example, we currently have a license agreement with Dechra Ltd., or Dechra, pursuant to which we license to Dechra rights to develop and commercialize SCY-641 for use in animal health, and will receive royalties from Dechra on sales of SCY-641. We are relying on Dechra to commercialize SCY-641, and if Dechra is not able to commercialize SCY-641, or determines not to pursue commercialization of SCY-641, we will not

receive any royalty payments under the agreement. If our third-party collaborators under this and any future agreements we enter into do not perform under these agreements, we will not receive the benefits we expect under these agreements.

We are dependent on our existing third-party collaborations in animal health to fund additional development opportunities and expect to continue to expend resources in our current collaborations, and if these collaborations fail, then we will lose a significant source of revenues.

We provide contract research and development services in the field of animal health which is a source of significant revenues to us. For example, we have an agreement with Merial, pursuant to which we provide contract research and development services that primarily target parasites, which includes the synthesis, purification, and characterization of individual or libraries of compounds, phenotypic screening of compounds, and further testing and optimizing of compounds for the use of commercializing animal health products. If we are not able to continue to enter into and perform under these services agreements, we will lose the ability to generate significant revenues.

We may not be successful in establishing and maintaining development and commercialization collaborations, which could adversely affect our ability to develop and commercialize product candidates.

Developing pharmaceutical products, conducting clinical trials, obtaining regulatory approval, establishing manufacturing capabilities and marketing approved products is expensive. Consequently, we plan to establish collaborations for development and commercialization of product candidates and research programs. For example, we currently have a development license and supply agreement with R-Pharm, pursuant to which we license to R-Pharm rights to develop and commercialize SCY-078 in the field of human health in Russia and certain smaller non-core markets, and if SCY-078 receives marketing approval, we may enter into additional sales and marketing arrangements with third parties for international sales. If we are unable to enter into any of these arrangements on acceptable terms, or at all, we may be unable to market and sell SCY-078 and any future product candidates we may seek to develop in certain markets. We expect to face competition in seeking appropriate collaborators. Moreover, collaboration arrangements are complex and time consuming to negotiate, document and implement and they may require substantial resources to maintain. We may not be successful in our efforts to establish and implement collaborations or other alternative arrangements for the development of product candidates. When we partner with a third party for development and commercialization of a product candidate, we can expect to relinquish to the third party some or all of the control over the future success of that product candidate. Our collaboration partner may not devote sufficient resources to the commercialization of product candidates or may otherwise fail in their commercialization. The terms of any collaboration or other arrangement that we establish may not be favorable to us. In addition, any collaboration that we enter into may be unsuccessful in the development and commercialization of product candidates. In some cases, we may be responsible for continuing preclinical and initial clinical development of a partnered product candidate or research program, and the payment we receive from our collaboration partner may be insufficient to cover the cost of this development. If we are unable to reach agreements with suitable collaborators for product candidates, we could face increased costs, we may be forced to limit the number of product candidates we can commercially develop or the territories in which we commercialize them and we might fail to commercialize products or programs for which a suitable collaborator cannot be found. If we fail to achieve successful collaborations, our operating results and financial condition will be materially and adversely affected.

We depend on third-party contractors for a substantial portion of our drug development activities and may not be able to control their work as effectively as if we performed these functions ourselves.

We outsource, and intend to continue to outsource, substantial portions of our drug development activities to third-party service providers, including manufacturing and the conduct of our clinical trials and various preclinical studies. Our agreements with third-party service providers and CROs are and will be on a study-by-study basis and typically short-term. In all cases, we expect to be able to terminate the agreements with notice and be responsible for the supplier's previously incurred costs.

Because we rely on third parties, our internal capacity to perform these functions is limited. Outsourcing these functions involves risk that third parties may not perform to our standards, may not produce results in a timely manner or may fail to perform at all. Even if we outsource activities, in most cases regulators will hold us responsible for the compliance of the activities performed, and hold us responsible for oversight and monitoring of the activities. In addition, the use of third-party service providers requires us to disclose our proprietary information to these parties, which could increase the risk that this information will be misappropriated. There is a limited number of third-party service providers that have the expertise required to achieve our business objectives. Identifying, qualifying and managing performance of third-party service providers can be difficult and time consuming and could cause delays in our development programs. We currently have a small number of employees devoted to clinical development activities, which limits the internal resources we have available to identify and monitor our third-party providers. To the extent we are unable to identify, retain and successfully manage the performance of third-party service providers in the future, our business may be adversely affected.

We have no experience manufacturing product candidates on a large clinical or commercial scale. As a result, we are and will be dependent on third parties for the manufacture of SCY-078 and any future product candidates we may seek to develop, and if we experience problems with any of these third parties, the commercial manufacturing of SCY-078 and any future product candidates we may seek to develop could be delayed.

We have a small number of personnel with experience in drug product manufacturing. If SCY-078 is approved, the inability to manufacture sufficient commercial supplies of the drug product could adversely affect product commercialization. We do not currently have any agreements with third-party manufacturers for the long-term commercial supply of our product candidates, including SCY-078. We may encounter technical difficulties or delays in the transfer of SCY-078 manufacturing on a commercial scale to a third-party manufacturer, or may be unable to enter into agreements for commercial supply with third-party manufacturers, or may be unable to do so on acceptable terms.

We may not be able to establish additional sources of supply for SCY-078 and any future product candidates we may seek to develop. These suppliers are subject to regulatory requirements covering manufacturing, testing, quality control and record keeping relating to product candidates and are also subject to ongoing inspections by the regulatory agencies. Failure by any of our suppliers to comply with applicable regulations may result in long delays and interruptions to our product candidate supply while we seek to secure another supplier that meets all regulatory requirements.

Reliance on third-party manufacturers entails risks to which we would not be subject if we manufactured product candidates ourselves, including:

- the possible breach of the manufacturing agreements or violation of regulatory standards by the third parties because of factors beyond our control; and
- the possibility of termination or nonrenewal of the agreements by the third parties because of our breach of the manufacturing agreement or based on their own business priorities.

Any of these factors could result in delays or higher costs in connection with our clinical trials, regulatory submissions, required approvals or commercialization of SCY-078 and any future product candidates we may seek to develop.

If we fail to establish or lose our relationships with CROs, our drug development efforts could be delayed.

We are substantially dependent on third-party vendors and CROs for preclinical studies and clinical trials related to our drug discovery and development efforts. If we fail to establish or lose our relationship with any one or more of these providers, we could experience a significant delay in both identifying another comparable provider and then contracting for its services, which could adversely affect our development efforts. We may be unable to retain an alternative provider on reasonable terms, or at all. Even if we locate an alternative provider, it is likely that this provider will need additional time to respond to our needs and may not provide the same type or level of services as the original provider. In addition, any contract research organization that we retain will be subject to the FDA's regulatory requirements and similar foreign standards and we do not have control over compliance with these regulations by these providers. Consequently, if these practices and standards are not adhered to by these providers, the development and commercialization of SCY-078 and any future product candidates we may seek to develop could be delayed, which could severely harm our business and financial condition.

Risks Relating to Our Intellectual Property

We are dependent on Merck for the establishment of our intellectual property rights related to SCY-078, and if Merck has not established our intellectual property rights with sufficient scope to protect SCY-078, we may have limited or no ability to assert intellectual property rights to SCY-078.

Under our agreement with Merck, Merck was responsible for establishing the intellectual property rights to SCY-078. As we were not responsible for the establishment of our intellectual property rights to SCY-078, we have less visibility into the strength of our intellectual property rights to SCY-078 than if we had been responsible for the establishment of these rights. If Merck did not establish those rights so they are of sufficient scope to protect SCY-078, then we may not be able to prevent others from using or commercializing SCY-078, and others may be able to assert intellectual property rights in SCY-078 and prevent us from further pursuing the development and commercialization of SCY-078.

It is difficult and costly to protect our proprietary rights, and we may not be able to ensure their protection.

Our commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection of SCY-078 and any future product candidates we may seek to develop and the methods used to manufacture them, as well as successfully defending these patents against third-party challenges. Our ability to stop third parties from making, using, selling, offering to sell or importing SCY-078 and any future product candidates we may seek to develop is dependent upon the extent to which we have rights under valid and enforceable patents or trade secrets that cover these activities.

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. No absolute policy regarding the breadth of claims allowed in pharmaceutical patents has emerged to date in the United States or in many foreign jurisdictions. Changes in either the patent laws or in interpretations of patent laws in the United States and foreign jurisdictions may diminish the value of our intellectual property. Accordingly, we cannot predict the breadth of claims that may be enforced in the patents that we currently own or that may be issued

from the applications we have filed or may file in the future or that we have licensed or may license from third parties, including Merck for SCY-078. Further, if any patents we obtain or license are deemed invalid and unenforceable, it could impact our ability to commercialize or license our technology.

The degree of future protection for our proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- others may be able to make compounds that are similar to SCY-078 and any future product candidates we may seek to develop but that are not covered by the claims of our patents;
- if we encounter delays in our clinical trials, the period of time during which we could market our drug candidates under patent protection would be reduced;
- we might not have been the first to conceive, make or disclose the inventions covered by our patents or pending patent applications;
- we might not have been the first to file patent applications for these inventions;
- any patents that we obtain may be invalid or unenforceable or otherwise may not provide us with any competitive advantages; or
- the patents of others may have a material adverse effect on our business.

Due to the patent laws of a country, or the decisions of a patent examiner in a country, or our own filing strategies, we may not obtain patent coverage for all of the product candidates that may be disclosed or methods involving these candidates that may be disclosed in the parent patent application. We plan to pursue divisional patent applications and/or continuation patent applications in the United States and many other countries to obtain claim coverage for inventions that were disclosed but not claimed in the parent patent application, but may not succeed in these efforts.

Composition of matter patents on the active pharmaceutical ingredient are generally considered to be the strongest form of intellectual property protection for pharmaceutical products, as such patents generally provide protection without regard to any method of use. We cannot be certain that the claims in our patent applications covering composition-of-matter of our drug candidates will be considered patentable by the U.S. Patent and Trademark Office, or USPTO, courts in the United States or by the patent offices and courts in foreign countries. Method of use patents protect the use of a product for the method recited in the claims. This type of patent does not prevent a competitor from making and marketing a product that is identical to our product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for our targeted indications, physicians may prescribe these products “off-label.” Although off-label prescriptions may infringe or contribute to or induce the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute. Interference proceedings provoked by third parties or brought by the USPTO may be necessary to determine the priority of inventions with respect to our patents or patent applications or those of our collaborators or licensors. An unfavorable outcome could require us to cease using the related technology or to attempt to license rights to it from the prevailing party. Our business could be harmed if the prevailing party does not offer us a license on commercially reasonable terms. Litigation or interference proceedings may fail resulting in harm to our business, and, even if successful, may result in substantial costs and distract our management and other employees.

There have been numerous changes to the patent laws and proposed changes to the rules of the USPTO, which may have a significant impact on our ability to protect our technology and enforce our intellectual property rights. For example, in September 2011, President Obama signed the America Invents Act that codifies several significant changes to the U.S. patent laws, including, among other things,

changing from a “first to invent” to a “first inventor to file” system, limiting where a patent holder may file a patent suit, replacing interference or “first to invent” proceedings with derivation proceedings and creating inter partes review and post-grant opposition proceedings to challenge the validity of patents after they have been issued. The effects of these changes are currently unclear as the USPTO only recently has adopted regulations implementing the changes, the courts have yet to address any of these provisions, and the applicability of the act and new regulations on specific patents and patent applications discussed herein have not been determined and would need to be reviewed.

Periodic maintenance fees on any issued patent are due to be paid to the USPTO and foreign patent agencies in several stages over the lifetime of the patent. The USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process. While an inadvertent lapse can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which noncompliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. Noncompliance events that could result in abandonment or lapse of a patent or patent application include, but are not limited to, failure to respond to official actions within prescribed time limits, non-payment of fees and failure to properly legalize and submit formal documents. In such an event, our competitors might be able to enter the market, which would have a material adverse effect on our business.

We also rely on trade secrets to protect our technology, especially where we do not believe patent protection is appropriate or obtainable. However, trade secrets are difficult to protect. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, licensees, licensors, outside scientific collaborators and other advisors may unintentionally or willfully disclose our information such that our competitors may obtain it. Enforcing a claim that a third party illegally obtained and is using any of our trade secrets is expensive and time consuming, and the outcome is unpredictable. Moreover, our competitors may independently develop equivalent knowledge, methods and know-how, such as new therapies, including therapies for the indications we are targeting. If others seek to develop similar therapies, their research and development efforts may inhibit our ability to conduct research in certain areas and to expand our intellectual property portfolio, and also have a material adverse effect on our business.

We may incur substantial costs as a result of litigation or other proceedings relating to patent and other intellectual property rights and we may be unable to enforce or protect our rights to, or use, our technology.

If we choose to go to court to stop another party from using the inventions claimed in any patents we obtain, that individual or company has the right to ask the court to rule that such patents are invalid or should not be enforced. These lawsuits are expensive and would consume time and resources and divert the attention of managerial and scientific personnel even if we were successful in stopping the infringement of such patents or sustaining their validity and enforceability. In addition, there is a risk that the court will decide that such patents are not valid and that we do not have the right to enforce them. There is also the risk that, even if the validity of such patents is upheld, the court will refuse to stop the other party on the grounds that such other party’s activities do not infringe such patents. In addition, the United States Court of Appeals for the Federal Circuit and the Supreme Court of the United States continue to address issues under the United States patent laws, and the decisions of those and other courts could adversely affect our ability to sustain the validity of our issued or licensed patents and obtain new patents.

Furthermore, a third party may claim that we or our manufacturing or commercialization partners or customers are using inventions covered by the third party’s patent rights and may go to court to stop us or our partners and/or customers from engaging in our operations and activities, including making or selling

SCY-078 and any future product candidates we may seek to develop. These lawsuits are costly and could affect our results of operations and divert the attention of managerial and scientific personnel. There is a risk that a court would decide that we or our commercialization partners or customers are infringing the third party's patents and would order us or our partners or customers to stop the activities covered by the patents. In that event, we or our commercialization partners or customers may not have a viable way around the patent and may need to halt commercialization or use of the relevant product. In addition, there is a risk that a court will order us or our partners or customers to pay the other party damages for having violated the other party's patents or obtain one or more licenses from third parties, which may be impossible or require substantial time and expense. We cannot predict whether any license would be available at all or whether it would be available on commercially reasonable terms. Furthermore, even in the absence of litigation, we may need to obtain licenses from third parties to advance our research or allow commercialization of our drug candidates, and we have done so from time to time. We may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, if at all. In such events, we would be unable to further develop and commercialize one or more of our drug candidates, which could harm our business significantly. In the future, we may agree to indemnify our commercial partners and/or customers against certain intellectual property infringement claims brought by third parties which could increase our financial expense, increase our involvement in litigation and/or otherwise materially adversely affect our business.

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, which could adversely affect our intellectual property rights and our business. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock.

The pharmaceutical and biotechnology industries have produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. For example, we are aware of the existence of other patents relating to the treatment of Hepatitis C Virus which, if we are determined to infringe, may limit our ability to fully commercialize SCY-635. If we are sued for patent infringement, we would need to demonstrate that our products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and we may not be able to do this. Proving invalidity or unenforceability is difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents.

Because some patent applications in the United States may be maintained in secrecy until the patents are issued, because patent applications in the United States and many foreign jurisdictions are typically not published until eighteen months after filing, because searches and examinations of patent applications by the USPTO and other patent offices may not be comprehensive, and because publications in the scientific literature often lag behind actual discoveries, we cannot be certain that others have not filed patent applications for technology covered by our patents or pending applications. Our competitors may have filed, and may in the future file, patent applications and may have obtained patents covering technology similar to ours. Any such patents or patent application may have priority over our patent applications, which could further require us to obtain or license rights to issued patents covering such technologies. If another party has obtained a U.S. patent or filed a U.S. patent application on inventions similar to ours, we may have to participate in a proceeding before the USPTO or in the courts to determine which patent or application has priority. The costs of these proceedings could be substantial, and it is possible that our application or patent could be determined not to have priority, which could adversely affect our intellectual property rights and business.

We have received confidential and proprietary information from collaborators, prospective licensees and other third parties. In addition, we employ individuals who were previously employed at other biotechnology or pharmaceutical companies. We may be subject to claims that we or our employees, consultants or independent contractors have improperly used or disclosed confidential information of these third parties or our employees' former employers. Litigation may be necessary to defend against these claims. Even if we are successful in defending against these claims, litigation could result in substantial cost and be a distraction to our management and employees. If we are not successful, our ability to continue our operations and our business could be materially, adversely affected.

Some of our competitors may be able to sustain the costs of complex intellectual property litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations, on our ability to hire or retain employees, or otherwise on our business.

Risks Related to Employee Matters and Managing Growth

We may not be able to manage our business effectively if we are unable to attract and retain key personnel.

We may not be able to attract or retain qualified management, finance, scientific and clinical personnel in the future due to the intense competition for qualified personnel among biotechnology, pharmaceutical and other businesses, particularly in the Research Triangle Park area in North Carolina, where we have our offices and research facilities. If we are not able to attract and retain necessary personnel to accomplish our business objectives, we may experience constraints that will significantly impede the achievement of our development objectives, our ability to raise additional capital and our ability to implement our business strategy.

We are highly dependent on the development, regulatory, commercialization and business development expertise of our executive officers and key employees, especially our Chief Executive Officer, Yves Ribeill, and our Chief Medical Officer, Carole Sable. If we lose one or more of our executive officers or key employees, our ability to implement our business strategy successfully could be seriously harmed.

We may need to expand our operations and increase the size of our company, and we may experience difficulties in managing growth.

As we advance SCY-078 through preclinical studies, clinical trials and commercialization, we will need to increase our product development, scientific, marketing, sales and administrative headcount to manage these efforts. Our management, personnel and systems currently in place may not be adequate to support this future growth. Our need to effectively manage our operations, growth and various projects requires that we:

- successfully attract and recruit new employees with the expertise and experience we will require;
- manage our clinical programs effectively, which we anticipate being conducted at numerous clinical sites;
- develop a marketing and sales infrastructure; and
- continue to develop our operational, financial and management controls, reporting systems and procedures.

If we are unable to successfully manage this growth, our business may be adversely affected.

Other Risks Relating to Our Business

We face potential product liability exposure, and if successful claims are brought against us, we may incur substantial liability for a product candidate and may have to limit its commercialization.

The use of product candidates in clinical trials and the sale of any products for which we may obtain marketing approval expose us to the risk of product liability claims. Product liability claims may be brought against us or our partners by participants enrolled in our clinical trials, patients, healthcare providers or others using, administering or selling products. If we cannot successfully defend ourselves against any such claims, we would incur substantial liabilities. Regardless of merit or eventual outcome, product liability claims may result in:

- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- costs of related litigation;
- substantial monetary awards to patients or other claimants;
- decreased demand for product candidates and loss of revenue;
- impairment of our business reputation;
- diversion of management and scientific resources from our business operations; and
- the inability to commercialize product candidates.

We have obtained limited product liability insurance coverage for our clinical trials domestically and in selected foreign countries where we are conducting clinical trials. Our coverage is currently limited to $5.0 million per occurrence and $5.0 million in the aggregate per year, as well as additional local country product liability coverage for trials conducted outside of the United States as required by the local country regulations. As such, our insurance coverage may not reimburse us or may not be sufficient to reimburse us for any expenses or losses we may suffer. Moreover, insurance coverage is becoming increasingly expensive and, in the future, we may not be able to maintain insurance coverage at a reasonable cost or in sufficient amounts to protect us against losses due to product liability. We intend to expand our insurance coverage for products to include the sale of commercial products if we obtain marketing approval for product candidates, but we may be unable to obtain commercially reasonable product liability insurance for any products approved for marketing. Large judgments have been awarded in class action lawsuits based on drugs that had unanticipated side effects. A successful product liability claim or series of claims brought against us, particularly if judgments exceed our insurance coverage, could decrease our cash necessary to develop SCY-078 and any future product candidates we may seek to develop and adversely affect our business.

Our operations involve hazardous materials, which could subject us to significant liabilities.

Our research and development processes involve the controlled use of hazardous materials, including chemicals. Our operations produce hazardous waste products. We cannot eliminate the risk of accidental contamination or discharge or injury from these materials. Federal, state and local laws and regulations govern the use, manufacture, storage, handling and disposal of these materials. We could be subject to civil damages in the event of exposure of individuals to hazardous materials. In addition, claimants may sue us for injury or contamination that results from our use of these materials and our liability may exceed our total assets. We have general liability insurance coverage of up to $1.0 million per occurrence, with an annual aggregate limit of $2.0 million, which excludes pollution liability. This coverage may not be adequate to cover all claims related to our biological or hazardous materials. Furthermore, if we were to be held liable

for a claim involving our biological or hazardous materials, this liability could exceed our insurance coverage, if any, and our other financial resources. Compliance with environmental and other laws and regulations may be expensive and current or future regulations may impair our research, development or production efforts. In addition, failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

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

We do not carry insurance for all categories of risk that our business may encounter. Some of the policies we currently maintain include general liability, employment practices liability, property, auto, workers' compensation, products liability and directors' and officers' insurance. We do not know, however, if we will be able to maintain existing insurance with adequate levels of coverage. Any significant uninsured liability may require us to pay substantial amounts, which would adversely affect our cash position and results of operations.

Our research and development activities could be affected or delayed as a result of possible restrictions on animal testing.

Certain laws and regulations require us to test our product candidates on animals before initiating clinical trials involving humans. Animal testing activities have been the subject of controversy and adverse publicity. Animal rights groups and other organizations and individuals have attempted to stop animal testing activities by pressing for legislation and regulation in these areas and by disrupting these activities through protests and other means. To the extent the activities of these groups are successful, our research and development activities may be interrupted, delayed or become more expensive.

Risks Relating to This Offering and Owning Our Common Stock

The market price of our common stock may be highly volatile, and you may not be able to resell your shares at or above the initial public offering price.

Prior to this offering, there has not been a public market for our common stock. Although we expect that our common stock will be approved for listing on the NASDAQ Global Market, if an active trading market for our common stock does not develop following this offering you may not be able to sell your shares quickly or above the initial public offering price. The initial public offering price for the shares will be determined by negotiations between us and the representative of the underwriters and may not be indicative of prices that will prevail in the trading market, and the value of our common stock may decrease from the initial public offering price.

The trading price of our common stock is likely to be volatile. The following factors, in addition to other factors described in this "Risk Factors" section and elsewhere in this prospectus, may have a significant impact on the market price of our common stock:

- the results of our preclinical testing or clinical trials;
- the ability to obtain additional funding;
- any delay in filing an NDA or similar foreign applications for SCY-078 and any future product candidate we may seek to develop or any adverse development or perceived adverse development with respect to the FDA's review of that NDA or a foreign regulator's review of a similar applications;
- maintenance of our existing collaborations or ability to enter into new collaborations;

- our collaboration partners' election to develop or commercialize product candidates under our collaboration agreements or the termination of any programs under our collaboration agreements;
- any intellectual property infringement actions in which we or our licensors and collaboration partners may become involved;
- our ability to successfully develop and commercialize future product candidates;
- changes in laws or regulations applicable to future products;
- adverse regulatory decisions;
- introduction of new products, services or technologies by our competitors;
- achievement of financial projections we may provide to the public;
- achievement of the estimates and projections of the investment community;
- the perception of the pharmaceutical industry by the public, legislatures, regulators and the investment community;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by us, our collaboration partners or our competitors;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and our ability to obtain patent protection for our technologies;
- legislation or regulation that mandates or encourages the use of generic products;
- additions or departures of key scientific or management personnel;
- significant lawsuits, including patent or stockholder litigation;
- changes in the market valuations of similar companies;
- general economic and market conditions and overall fluctuations in the U.S. equity markets;
- sales of our common stock by us, our executive officers and directors or our stockholders in the future; and
- trading volume of our common stock.

In addition, companies trading in the stock market in general, and the NASDAQ Global Market in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our common stock, regardless of our actual operating performance.

Our executive officers, directors and principal stockholders own a significant percentage of our stock and will be able to exert significant control over matters submitted to our stockholders for approval.

As of February 28, 2014, our executive officers, directors and stockholders who own more than 5% of our outstanding common stock, together beneficially own shares representing approximately 77% of our common stock and, upon the closing of this offering, that same group will beneficially own approximately 54.6% of our outstanding stock. Therefore, even after this offering, these stockholders will have the ability to influence us through this ownership position. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders, acting together, may be able to control elections of directors, amendments to our organizational documents, or approval of any merger, sale of assets, or other major corporate action. This may prevent or discourage unsolicited acquisition proposals or offers for our common stock that you may believe are in your best interest as one of our stockholders.

We have identified material weaknesses in our internal controls over financial reporting.

Maintaining effective internal controls over financial reporting is necessary for us to produce accurate financial statements on a timely basis. We have identified material weaknesses in our internal control over financial reporting. We are currently in the process of remediating these material weaknesses by, among other things, designing and implementing new procedures and controls. Management continues to devote significant time and attention to remediating these material weaknesses and improving our internal controls, and we expect to continue to incur costs associated with implementing appropriate processes, which could include fees for additional audit and consulting services, which could negatively affect our financial condition and operating results.

The requirements associated with being a public company will require significant company resources and management attention.

Following this offering, we will become subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, the listing requirements of the NASDAQ Global Market and other applicable securities rules and regulations. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition and maintain effective disclosure controls and procedures and internal control over financial reporting. In addition, subsequent rules implemented by the SEC and The NASDAQ Stock Market may also impose various additional requirements on public companies. As a result, we will incur additional legal, accounting and other expenses that we did not incur as a nonpublic company, particularly after we are no longer an "emerging growth company" as defined in the JOBS Act. Further, the need to establish the corporate infrastructure demanded of a public company may divert management's attention from implementing our growth strategy. We have made, and will continue to make, changes to our corporate governance standards, disclosure controls and financial reporting and accounting systems to meet our reporting obligations. However, the measures we take may not be sufficient to satisfy our obligations as a public company, which could subject us to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

Section 404(a) of the Sarbanes-Oxley Act requires annual management assessments of the effectiveness of our internal control over financial reporting, starting with the second annual report that we would expect to file with the SEC, and we will be required to disclose material changes made in our internal controls and procedures on a quarterly basis. Company responsibilities required by the Sarbanes-Oxley Act include establishing corporate oversight and adequate internal control over financial reporting and disclosure controls and procedures. Effective internal controls are necessary for us to produce reliable financial reports and are important to help prevent financial fraud. However, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act until the later of the year following our first annual report required to be filed with the SEC or the date we are no longer an "emerging growth company" as defined in the JOBS Act, because we are taking advantage of the exemptions contained in the JOBS Act.

To build the infrastructure to allow us to assess the effectiveness of our internal control over financial reporting, we will need to hire additional accounting personnel and improve our accounting systems, disclosure policies, procedures and controls, which will be costly and time consuming. If we are unsuccessful in building an appropriate accounting infrastructure, we may not be able to prepare and disclose, in a timely manner, our financial statements and other required disclosures, or comply with existing or new reporting requirements.

If we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective. We cannot assure you that there

will not be material weaknesses in our internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit our ability to accurately report our financial condition, results of operations or cash flows. If we are unable to conclude that our internal control over financial reporting is effective, or if our independent registered public accounting firm determines we have a material weakness in our internal control over financial reporting, we could lose investor confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by The NASDAQ Stock Market, the SEC or other regulatory authorities. Failure to remedy any material weakness in our internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict our future access to the capital markets.

The recently enacted JOBS Act will allow us to postpone the date by which we must comply with some of the laws and regulations intended to protect investors and to reduce the amount of information we provide in our reports filed with the SEC, which could undermine investor confidence in our company and adversely affect the market price of our common stock.

For so long as we remain an "emerging growth company" as defined in the JOBS Act, we may take advantage of certain exemptions from various requirements that are applicable to public companies that are not "emerging growth companies" including:

- the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that our independent registered public accounting firm provide an attestation report on the effectiveness of our internal control over financial reporting;
- the obligation to provide three years of audited financial statements;
- the "say on pay" provisions, requiring a non-binding stockholder vote to approve compensation of certain executive officers, and the "say on golden parachute" provisions, requiring a non-binding stockholder vote to approve golden parachute arrangements for certain executive officers in connection with mergers and certain other business combinations, of the Dodd-Frank Act and some of the disclosure requirements of the Dodd-Frank Act relating to compensation of our chief executive officer;
- the requirement to provide detailed compensation discussion and analysis in proxy statements and reports filed under the Exchange Act, and instead provide a reduced level of disclosure concerning executive compensation; and
- any rules that may be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotation or a supplement to the auditor's report on the financial statements.

We currently intend to take advantage of some of the reduced regulatory and reporting requirements that will be available to us under the JOBS Act so long as we qualify as an "emerging growth company."

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

Investors purchasing common stock in this offering will pay a price per share that substantially exceeds the pro forma net tangible book value per share. As a result, investors purchasing common stock in this offering will incur immediate dilution of $10.78 per share, based on an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, and our pro forma net tangible book value as of December 31, 2013. Further, based on these assumptions, investors purchasing common stock in this offering will contribute approximately 43.6% of the total amount invested by stockholders since our inception, but will own only approximately 26.9% of the shares of common stock outstanding. For information on how these amounts were calculated, see "Dilution."

In addition, as of December 31, 2013, options to purchase 702,276 shares of our common stock, at a weighted average exercise price at December 31, 2013, of $5.07 per share, were outstanding. The exercise of any of these options would result in additional dilution. As a result of the dilution, investors purchasing stock in this offering may receive significantly less than the purchase price paid in this offering, if anything, in the event of our liquidation.

Sales of a substantial number of shares of our common stock in the public market by our existing stockholders could cause our stock price to fall.

Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur, could depress the market price of our common stock and could impair our ability to raise capital through the sale of additional equity securities. We are unable to predict the effect that sales may have on the prevailing market price of our common stock.

All of the shares of common stock sold in this offering will be freely tradable without restrictions or further registration under the Securities Act of 1933, as amended, or the Securities Act, except for any shares held by our affiliates as defined in Rule 144 under the Securities Act or our current stockholders pursuant to lock-up agreements. Substantially all of the remaining 11,400,869 shares of common stock outstanding after this offering, based on 11,488,973 shares outstanding as of December 31, 2013, will be restricted as a result of securities laws, lock-up agreements or other contractual restrictions that restrict transfers for at least 180 days after the date of this prospectus. RBC Capital Markets, LLC may, in its sole discretion, release all or some portion of the shares subject to lock-up agreements prior to expiration of the lock-up period.

Certain holders of our securities are entitled to rights with respect to the registration of their shares under the Securities Act, subject to the applicable lock-up arrangement described above. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock.

Future sales and issuances of our common stock or rights to purchase common stock could result in additional dilution of the percentage ownership of our stockholders and could cause our stock price to fall.

We expect that significant additional capital will be needed in the future to continue our planned operations. To the extent we raise additional capital by issuing equity securities, our stockholders may experience substantial dilution. We may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner we determine from time to time. These sales may also result in new investors gaining rights superior to our existing stockholders.

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

Our management will have broad discretion in the use of the net proceeds from this offering, including for any of the purposes described in the section titled “Use of Proceeds,” and you will not have the opportunity as part of your investment decision to assess whether the net proceeds are being used appropriately. Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. The failure of our management to use these funds effectively could have a material adverse effect on our business, cause the market price of our common stock to decline and delay the development of SCY-078 and any future product candidates we may seek to develop. Pending their use, we may invest the net proceeds from this offering in short-term, investment-grade, interest-bearing instruments and U.S. government securities. These investments may not yield a favorable return to our stockholders.

Because we do not intend to declare cash dividends on our shares of common stock in the foreseeable future, stockholders must rely on appreciation of the value of our common stock for any return on their investment.

We currently anticipate that we will retain future earnings for the development, operation and expansion of our business and do not anticipate declaring or paying any cash dividends in the future. As a result, we expect that only appreciation of the price of our common stock, if any, will provide a return to investors in this offering for the foreseeable future. Investors seeking cash dividends should not invest in our common stock.

If securities or industry analysts do not publish or cease publishing research or reports about us, our business or our market, or if they change their recommendations regarding our common stock adversely, the price of our common stock and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that securities or industry analysts may publish about us, our business, our market or our competitors. If any of the analysts who may cover us change their recommendation regarding our common stock adversely, or provide more favorable relative recommendations about our competitors, the price of our common stock would likely decline. If any analyst who may cover us were to cease coverage of our company or fail to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price of our common stock or trading volume to decline.

We may be subject to securities litigation, which is expensive and could divert management attention.

Our share price may be volatile, and in the past, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Litigation of this type could result in substantial costs and diversion of management's attention and resources, which could seriously harm our business. Any adverse determination in litigation could also subject us to significant liabilities.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of us, which may be beneficial to our stockholders, more difficult and may prevent attempts by our stockholders to replace or remove our current management.

Provisions in our amended and restated certificate of incorporation and our bylaws may delay or prevent an acquisition of us, including the ability of our board of directors establish new series of preferred stock and issue shares of these new series, which could be used by our board of directors to oppose a hostile takeover attempt, which some stockholders may believe would be in the best interests of stockholders. In addition, these provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management, including the elimination of cumulative voting, inability of our stockholders to call special meetings or take action by written consent, ability of our board of directors to fill board vacancies, and ability of our board of directors to determine the size of the board of directors. In addition, we are subject to Section 203 of the Delaware General Corporation Law, which generally prohibits stockholders owning in excess of 15% of our outstanding voting stock from merging or combining with us. Finally, our charter documents establish advance notice requirements for nominations for election to our board of directors and for proposing matters that can be acted upon at stockholder meetings. Although we believe these provisions together provide for an opportunity to receive higher bids by requiring potential acquirers to negotiate with our board of directors, they would apply even if the offer may be considered beneficial by some stockholders.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

This prospectus, including the sections titled "Prospectus Summary," "Risk Factors," "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Market, Industry and Other Data," "Business" and "Shares Eligible for Future Sale," contains forward-looking statements. In some cases you can identify these statements by forward-looking words, such as "anticipate," "believe," "continue," "could," "estimate," "expect," "goal," "intend," "may," "plan," "potential," "seek," "will," "would," or the negative or plural of these words or similar expressions. These forward-looking statements include, but are not limited to, statements concerning the following:

- our ability to successfully develop SCY-078, including an IV formulation of SCY-078;
- our expectations regarding the benefits we will obtain from the oral form SCY-078 having been designated as a QIDP and the expectation that the IV form will also be designated as a QIDP;
- our ability to obtain FDA approval of SCY-078;
- our expectations regarding the devotion of our resources;
- our expected uses of the net proceeds to us from this offering, and how long they will last;
- the expected costs of studies and when they will begin;
- our ability to scale up manufacturing to commercial scale;
- our reliance on third parties to conduct our clinical studies;
- our reliance on third-party contract manufacturers to manufacture and supply commercial supplies of SCY-078 for us;
- our expectations regarding the marketing of SCY-078 should we receive regulatory approval;
- our estimates of our expenses, ongoing losses, future revenue, capital requirements and our needs for or ability to obtain additional financing;
- our financial performance; and
- developments and projections relating to our competitors or our industry.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in "Risk Factors." Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this prospectus may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, except as required by law, we undertake no obligation to update publicly any forward-looking statements for any reason after the date of this prospectus to conform these statements to actual results or to changes in our expectations.

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

MARKET, INDUSTRY AND OTHER DATA

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

Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. In some cases, we do not expressly refer to the sources from which this data is derived. In that regard, when we refer to one or more sources of this type of data in any paragraph, you should assume that other data of this type appearing in the same paragraph is derived from the same sources, unless otherwise expressly stated or the context otherwise requires.

USE OF PROCEEDS

We estimate that the net proceeds from our issuance and sale of 4,230,800 shares of our common stock in this offering will be approximately $47.6 million, or approximately $55.2 million if the underwriters exercise their over-allotment option in full, assuming an initial public offering price of $13.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $13.00 per share would increase (decrease) the net proceeds from this offering by approximately $3.9 million, assuming that the number of shares we are offering, as set forth on the cover page of this prospectus, remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. Each increase (decrease) of 1,000,000 shares in the number of shares we are offering would increase (decrease) the net proceeds to us from this offering by approximately $12.1 million, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

As of December 31, 2013, we had cash and cash equivalents of approximately $1.4 million. We currently estimate that we will use the net proceeds from this offering, together with our cash and cash equivalents as follows:

- approximately $30 million for clinical and preclinical costs associated with the completion of Phase 2 and the initiation of Phase 3 trials for our lead product candidate SCY-078;
- approximately $15.0 million to pay down our credit facility agreement with HSBC Bank USA, National Association as it becomes due; this credit facility has an interest rate of LIBOR plus 0.95% per annum. We are required to pay $7.5 million on or before June 30, 2014 and any remaining amount on or before December 31, 2014; and
- the balance to fund working capital, capital expenditures and other general corporate purposes.

This expected use of the net proceeds from this offering and our existing cash and cash equivalents represents our intentions based upon our current plans and business conditions. The amounts and timing of our actual expenditures may vary significantly depending on numerous factors, including the progress of our development and commercialization efforts and the status of and results from clinical studies, as well as any collaborations that we may enter into with third parties and any unforeseen cash needs. As a result, our management will retain broad discretion over the allocation of the net proceeds from this offering.

Pending our use of the net proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation investments, including short-term, investment grade, interest bearing instruments and U.S. government securities.

DIVIDEND POLICY

We have never declared or paid, and do not anticipate declaring, or paying in the foreseeable future, any cash dividends on our capital stock. Future determination as to the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then existing conditions, including our operating results, financial conditions, contractual restrictions, capital requirements, business prospects and other factors our board of directors may deem relevant.

DILUTION

Dilution is the amount by which the offering price paid by the purchasers of the shares of common stock sold in this offering exceeds the pro forma as adjusted net tangible book value per share of our common stock after this offering. As of December 31, 2013, we had a net tangible book value (deficit) of $(112.0) million, or $(65.74) per share of common stock. Our net tangible book value per share represents total tangible assets (total assets less deferred costs) less total liabilities and convertible preferred stock, divided by the number of outstanding shares of our common stock. On a pro forma basis, after giving effect to the pro forma adjustments referenced under "Capitalization," the net tangible book value of our common stock as of December 31, 2013, was $(12.6) million, or $(1.10) per share.

After giving effect to (a) the pro forma adjustments referenced under "Capitalization" and (b) receipt of the net proceeds from our sale of 4,230,800 shares of common stock at an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2013, would have been approximately $34.9 million, or $2.22 per share. This represents an immediate increase in pro forma net tangible book value of $3.32 per share to our existing stockholders and an immediate dilution of $10.78 per share to investors purchasing common stock in this offering.

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

Assumed initial public offering price per share		$13.00
Actual net tangible book value per share as of December 31, 2013	$(65.74)	
Increase per share attributable to pro forma adjustments referenced under "Capitalization"	64.64	
Pro forma net tangible book value per share as of December 31, 2013	(1.10)	
Increase in pro forma net tangible book value per share attributable to new investors purchasing shares in this offering	3.32	
Pro forma as adjusted net tangible book value per share after giving effect to this offering		2.22
Dilution per share to new investors in this offering		$10.78

If the underwriters' over-allotment option to purchase additional shares in this offering is exercised in full, the pro forma net tangible book value, as adjusted to give effect to this offering, would be $2.61 per share and the dilution to new investors would be $10.39 per share.

Each $1.00 increase (decrease) in the assumed initial public offering price of $13.00 per share would increase (decrease) the pro forma net tangible book value, as adjusted to give effect to this offering but assuming no exercise of the underwriters' over-allotment option, by $0.25 per share and the dilution to new investors by $0.75 per share, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

We may also increase or decrease the number of shares we are offering. An increase of 1,000,000 shares in the number of shares offered by us would increase our pro forma as adjusted net tangible book value by approximately $12.1 million, or $0.59 per share, and the dilution to new investors in this offering by $0.59 per share, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, a decrease of 1,000,000 shares in the number of shares offered by us would decrease our pro forma as adjusted net

tangible book value by approximately $12.1 million, or $0.67 per share, and the dilution to new investors in this offering by $0.67 per share, assuming that the assumed initial public offering price remains the same, and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering determined at pricing.

The table below summarizes as of December 31, 2013, on a pro forma as adjusted basis described above, the number of shares of our common stock, the total consideration, and the average price per share (a) previously paid to us by our existing stockholders and (b) to be paid by investors purchasing our common stock in this offering at an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares purchased		Total consideration		Average price per share
	Number	Percent	Amount	Percent	
Existing stockholders	11,488,973	73.1%	$ 71,073,333	56.4%	$ 6.19
Investors in this offering	4,230,800	26.9%	55,000,400	43.6%	13.00
Total	15,719,773	100.0%	$126,073,733	100.0%	

A $1.00 increase (decrease) in the assumed initial public offering price of $13.00 per share would increase (decrease) total consideration paid by investors in this offering by $4.2 million and increase (decrease) the percent of total consideration paid by investors in this offering by 1.8%, assuming the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same. We may also increase or decrease the number of shares we are offering.

If the underwriters' over-allotment option to purchase additional shares in this offering is exercised in full, the percentage of shares of our common stock held by existing stockholders will be reduced to 70.3% of the total number of shares of our common stock outstanding after this offering, and the number of shares held by investors in this offering will increase to 4,865,420 shares, or 29.7% of the total number of shares of our common stock outstanding after this offering.

The number of shares of our common stock reflected in the discussion and tables above is based on 11,488,973 shares of our common stock outstanding as of December 31, 2013 (including convertible preferred stock on an as-converted basis and the exercise of all outstanding common stock warrants issued with our convertible notes and convertible preferred stock), and excludes the following:

- 702,276 shares of our common stock issuable upon the exercise of stock options outstanding at a weighted-average exercise price of $5.07 per share;
- 253,177 shares of our common stock reserved for future issuance under our 2009 Stock Option Plan;
- 1,312,500 shares of our common stock reserved for future issuance under our 2014 Equity Incentive Plan;
- 243,750 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan; and
- 73,863 shares of our common stock issuable upon the exercise of common stock warrants and convertible preferred stock warrants outstanding at a weighted-average exercise price of $9.21 per share.

To the extent that any outstanding options or warrants are exercised, new options are issued under our stock-based compensation plans or we issue additional shares of common stock in the future, there will be further dilution to investors participating in this offering.

CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of December 31, 2013:

- on an actual basis;
- on a pro forma basis to reflect the filing of our amended and restated certificate of incorporation and the automatic conversion of all outstanding shares of our convertible preferred stock into an aggregate of 8,475,987 shares of our common stock and the exercise of all outstanding common stock warrants issued with our convertible notes and convertible preferred stock into an aggregate of 1,308,960 shares of our common stock immediately prior to the closing of this offering; and
- on a pro forma as adjusted basis to further reflect the sale by us of 4,230,800 shares of common stock in this offering at an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

You should read this table together with the sections in this prospectus titled “Selected Financial Data,” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and our financial statements and related notes included elsewhere in this prospectus.

	As of December 31, 2013		
	Actual	Pro forma	Pro forma as adjusted(1)
	(in thousands, except share data)		
Cash and cash equivalents	$ 1,402	$ 1,454	$ 49,004
Convertible preferred stock, $0.001 par value; 29,135,824 shares authorized, 17,414,632 shares issued and outstanding, actual; no shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	$ 87,157	$ —	$ —
Stockholders’ (deficit) equity:			
Preferred stock, $0.001 par value; no shares authorized, issued, and outstanding, actual; 5,000,000 shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	—	—	—
Common stock, $0.001 par value; 70,000,000 shares authorized, 1,704,026 shares issued and outstanding, actual; 70,000,000 shares authorized, pro forma and pro forma as adjusted; 11,488,973 shares issued and outstanding, pro forma; 15,719,773 shares issued and outstanding, pro forma as adjusted	2	11	15
Additional paid-in capital	5,166	104,566	152,112
Accumulated deficit	(113,277)	(113,277)	(113,277)
Total stockholders’ (deficit) equity	(108,109)	(8,700)	38,850
Total capitalization	$ (20,952)	$ (8,700)	$ 38,850

(1) A $1.00 increase (decrease) in the assumed initial public offering price of $13.00 per share would increase (decrease) each of cash and cash equivalents, working capital and total assets by $3.9 million and increase (decrease) total stockholders’ equity by $3.9 million, assuming the number of shares

offered by us, as set forth on the cover page of this prospectus, remains the same, after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. An increase (decrease) of 1,000,000 shares that we are offering would increase (decrease) each of pro forma as adjusted cash and cash equivalents, working capital, total assets by approximately $12.1 million and increase (decrease) stockholders' equity by approximately $12.1 million, assuming the assumed initial public offering price per share, as set forth on the cover page of this prospectus, remains the same. The pro forma as adjusted information is illustrative only, and we will adjust this information based on the actual initial public offering price, number of shares offered and other terms of this offering determined at pricing.

The outstanding share information in the table above is based on 11,488,973 shares of our common stock outstanding as of December 31, 2013 (including convertible preferred stock on an as-converted basis and the exercise of all outstanding common stock warrants issued with our convertible notes and convertible preferred stock), and excludes the following:

- 702,276 shares of our common stock issuable upon the exercise of stock options outstanding at a weighted-average exercise price of $5.07 per share;
- 253,177 shares of our common stock reserved for future issuance under our 2009 Stock Option Plan;
- 1,312,500 shares of our common stock reserved for future issuance under our 2014 Equity Incentive Plan;
- 243,750 shares of our common stock reserved for future issuance under our 2014 Employee Stock Purchase Plan; and
- 73,863 shares of our common stock issuable upon the exercise of common stock warrants and convertible preferred stock warrants outstanding at a weighted-exercise price of $9.21 per share.

SELECTED FINANCIAL DATA

You should read the following selected financial data together with the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes included elsewhere in this prospectus. The statement of operations data for the years ended December 31, 2013 and 2012, and the balance sheet data as of December 31, 2013 and 2012, are derived from the audited financial statements that are included elsewhere in this prospectus. Share and per share amounts reflect the 1 for 4 reverse split of our common stock. Our historical results are not necessarily indicative of the results to be expected in the future.

	Year Ended December 31,	
	2013	2012
	(in thousands, except share and per share data)	
Statement of operations data:		
Total revenue	$ 16,857	$ 16,837
Cost of revenue	16,305	14,364
Gross profit	552	2,473
Operating expenses:		
Research and development	4,363	8,927
Selling, general and administrative	4,381	4,742
Gain on sale of asset	(988)	(3,412)
Total operating expenses	7,756	10,257
Loss from operations	(7,204)	(7,784)
Other (expense) income:		
Amortization of deferred financing costs and debt discount	(3,485)	(2,918)
Interest expense for beneficial conversion feature	(10,802)	—
Interest expense — related party	(892)	(747)
Interest expense	(192)	(225)
Derivative fair value adjustment	(7,886)	185
Other income	—	12
Total other expense	(23,257)	(3,693)
Net loss	(30,461)	(11,477)
Deemed dividend for beneficial conversion feature on Series D-2 convertible preferred stock	(4,232)	—
Deemed dividend for antidilution adjustments to convertible preferred stock	(6,402)	—
Accretion of convertible preferred stock	(5,714)	—
Net loss attributable to common stockholders	$ (46,809)	$ (11,477)
Net loss per share attributable to common stockholders:		
Basic and diluted	$ (27.34)	$ (6.91)
Basic and diluted, pro forma(1)	$ (2.78)	
Weighted average common shares outstanding:		
Basic and diluted	1,711,921	1,660,709
Basic and diluted, pro forma(1)	8,064,720	
Stock-based compensation expense included above:		
Cost of revenue	$ 45	$ 103
Research and development	28	40
Selling, general and administrative	107	215

(1) Pro forma basic and diluted net loss per share have been calculated assuming the conversion of all outstanding shares of convertible preferred stock and the exercise of all common stock warrants issued with the convertible notes and convertible preferred stock into an aggregate of 9,784,947 shares of common stock as of the beginning of the applicable period or at the time of issuance, if later.

	December 31,	
	2013	2012
	(in thousands)	
Balance sheet data:		
Cash and cash equivalents	$ 1,402	$ 2,385
Working capital (deficit)	(15,524)	(9,007)
Total assets	12,387	12,118
Current portion of long-term debt	15,000	—
Convertible notes — related party, net of discount	—	11,444
Long-term debt	—	15,000
Derivative liability	12,237	683
Convertible preferred stock	87,157	46,086
Total stockholders' deficit	(108,109)	(65,415)

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

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

Overview

SCYNEXIS is a pharmaceutical company committed to the discovery, development and commercialization of novel anti-infectives to address significant unmet therapeutic needs. We are developing our lead product candidate, SCY-078, as a novel oral and intravenous (IV) drug for the treatment of serious and life-threatening invasive fungal infections in humans. SCY-078 has been shown to be effective *in vitro* and *in vivo* in animal studies against a broad range of *Candida* and *Aspergillus* fungal species, including drug resistant strains. These important pathogens account for approximately 85% of invasive fungal infections in the United States and Europe. SCY-078 was shown to be sufficiently safe and well-tolerated in multiple Phase 1 studies to support progression to Phase 2 studies. We anticipate that the first patient will be enrolled in the second half of 2014 in a Phase 2 study with an oral formulation of SCY-078 for the treatment of invasive *Candida* infection, a common and often fatal invasive fungal infection, and anticipate beginning studies with an IV formulation of SCY-078 in 2015. In addition to pursuing the development of SCY-078, we are planning to use our platform of enfumafungin derivatives and expertise to expand our anti-fungal portfolio. We also have clinical and preclinical programs based on the use of cyclophilin inhibitors to treat viral diseases, and provide contract research and development services, primarily in the field of animal health, which currently generate substantially all of our revenue.

As a spinout from Aventis in 2000, we began as a chemistry and animal health services company, providing contract research services to third parties. Through the provision of these contract research and development services, we built significant expertise in parasitic infections and drug discovery. Since our formation, we have expanded our animal health capabilities and have discovered a number of proprietary compounds. In June 2004, we entered into an exclusive animal health research collaboration with Merial which included significant milestone and royalty payments. We entered into a revised agreement with Merial effective January 2012 that was non-exclusive, resulting in the ability to provide contract research and development services in the field of animal health for other third parties, but which reduced the amount of research business we receive from Merial. However, we maintain rights to milestones and royalties for products in development under the prior agreement.

The majority of the cash generated by the provision of contract research and development services and the additional capital we have raised has been used to develop proprietary compounds, including SCY-635, our cyclophilin inhibitor compound. In 2013, we exclusively licensed SCY-078 from Merck Sharp & Dohme, or Merck, in the field of human health, and Merck transferred to us the investigational new drug application pending with the U.S. Food and Drug Administration, or the FDA, as well as all data Merck had developed for the compound, plus active pharmaceutical ingredient and tablets. In 2014, Merck assigned the patents to us related to SCY-078 that it had exclusively licensed to us. We are currently seeking a partner for SCY-635 and our cyclophilin inhibitor platform, and are focusing our resources on the development of SCY-078.

Since inception, we have incurred losses associated with development of our proprietary compounds and derived substantially all of our revenue from the provision of our contract research and development services. In the near term, we expect to expend a majority of our capital to develop SCY-078, while continuing to provide our contract research and development services which provide revenues and expert resources. Our net losses were $30.5 million and $11.5 million for the years ended December 31, 2013 and 2012, respectively. As of December 31, 2013, we had an accumulated deficit of $113.3 million. Net loss for 2013 included approximately $23.1 million of non-cash charges for related-party financing costs recorded in other expense. These costs included: a $10.8 million charge for a beneficial conversion feature of related-party notes; a $7.9 million derivative fair value adjustment for warrants issued to related parties; $3.5 million for amortization of a debt discount on related-party notes and a deemed contribution for a guarantee from a related party; and $0.9 million of interest on related-party debt.

We expect to continue to incur significant expenses and operating losses for the foreseeable future, which may fluctuate significantly from quarter to quarter and year to year. We anticipate that our expenses will increase substantially as we:

- continue the development of and seek to obtain regulatory approval for our lead product candidate, SCY-078;
- prepare for the potential commercialization, manufacturing, and distribution of SCY-078; and
- add operational, financial and management information systems and personnel, including personnel to support our product development and planned future commercialization efforts and additional expenses we will incur as a public company.

Until such time, if ever, that we can generate substantial revenue from product sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, or other third-party funding, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements. We may be unable to raise additional funds or enter into such other arrangements when needed on favorable terms or at all, which would have a negative impact on our financial condition and could force us to delay, limit, reduce or terminate our research and development programs or commercialization efforts. Failure to receive additional funding could cause us to cease operations, in part or in full.

Collaborations and Licensing Agreements

We have signed a number of licensing and collaboration agreements with partners in human and animal health, including: (1) Merck, a pharmaceutical company, under which we exclusively licensed from Merck its rights to SCY-078 in the field of human health, and agreed to pay Merck milestones upon the occurrence of specified events and will pay tiered royalties based on worldwide sales of SCY-078 when and if it is approved (in 2014, Merck assigned the patents to us related to SCY-078 that it had exclusively licensed to us and, as contemplated by the agreement, we will continue to pay milestones and royalties); (2) Merial, a wholly owned subsidiary of Sanofi, under which we provide animal health research services on a fee for service basis and, with respect to certain product candidates, potential milestones and royalties; (3) R-Pharm, CJSC, a leading supplier of hospital drugs in Russia, granting them exclusive rights in the field of human health to develop and commercialize SCY-078 in Russia and several smaller non-core markets, under which we are entitled to receive potential milestones and royalties; and (4) Dechra Ltd., a UK listed international veterinary pharmaceutical business, granting Dechra rights to SCY-641 in the field of animal health, including dog dry eye, under which we are entitled to receive potential milestones and royalties.

Components of Operating Results

Revenue

To date, we have derived substantially all of our revenue from the provision of our contract research and development services. In addition, we have received upfront and milestone payments in connection with our collaboration and licensing agreements. We expect that any revenue we generate will fluctuate from quarter to quarter as a result of the variability in the amounts of our contract research and development services provided, the achievement of collaboration milestones, and the consummation of new licensing arrangements. We do not expect to generate revenue from product sales for at least the next several years. If we or our collaborators fail to complete the development of product candidates in a timely manner or obtain their regulatory approval, our ability to generate future revenue, and our results of operations and financial position, would be materially adversely affected.

Revenue is recognized when all of the following conditions are met: (1) persuasive evidence of an arrangement exists, (2) rendering of services is complete, (3) fees are fixed or determinable, and (4) collection of fees is reasonably assured.

Cost of Revenue

Cost of revenue primarily consists of salaries and personnel-related costs, including employee benefits and any stock-based compensation, of our scientific personnel delivering our contract research and development services. Additional expenses include facilities and equipment costs directly associated with generating revenue, allocated overhead, materials, contracted consultants and other direct costs.

We allocate expenses associated with our facilities, information technology costs, and depreciation and amortization, between cost of revenue and operating expenses. Allocations are based on employee headcount and determined by the nature of work performed.

Research and Development Expense

Research and development expense consists of expenses incurred while performing research and development activities to discover, develop or improve potential product candidates we seek to develop. This includes conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings for product candidates. We recognize research and development expenses as they are incurred. Our research and development expense primarily consists of:

- salaries and personnel-related costs, including benefits and any stock-based compensation for our scientific personnel performing research and development activities;
- costs related to executing preclinical and clinical trials;
- fees paid to consultants and other third parties who support our product candidate development and intellectual property protection;
- other costs in seeking regulatory approval of our products; and
- allocated overhead.

The table below summarizes the total costs incurred for each of our key research and development projects during the periods presented:

	Years Ended December 31,	
	2013	2012
Cyclophilin Inhibitor Platform	$2,953	$8,509
SCY-078	1,404	—
Other	6	418
Total Research and Development	$4,363	$8,927

Our cyclophilin inhibitor platform and SCY-078 projects were the only key research and development projects during the periods presented. As of December 31, 2013, we have incurred total research and development costs of $64.6 million and $1.4 million, respectively, to develop our cyclophilin inhibitor platform and SCY-078.

We plan to increase our research and development expense for the foreseeable future as we continue our effort to develop SCY-078 and to further advance the development of our other product candidates, subject to the availability of additional funding.

The successful development of product candidates is highly uncertain. At this time, we cannot reasonably estimate the nature, timing or costs required to complete the remaining development of any product candidates. This is due to the numerous risks and uncertainties associated with the development of product candidates.

Selling, General and Administrative Expense

Selling, general and administrative expense consists primarily of salaries and personnel-related costs, including employee benefits and any stock-based compensation. This includes personnel in executive, finance, sales, human resources and administrative support functions. Other expenses include facility-related costs not otherwise allocated to cost of revenue or research and development expense, professional fees for auditing, tax and legal services, consulting costs for general and administrative purposes, information systems maintenance and marketing efforts.

We expect that our selling, general and administrative expense will increase as we operate as a public reporting company and develop and commercialize SCY-078. We believe that these increases will likely include increased costs for director and officer liability insurance, costs related to the hiring of additional personnel, and increased fees for outside consultants, lawyers and accountants. We also expect to incur increased costs to comply with corporate governance, internal controls, investor relations, disclosure and similar requirements applicable to public reporting companies.

Gain on Sale of Asset

In May 2012, we sold the rights to internally developed research software to a third party for $4.5 million. We received an initial payment of $3.5 million in May 2012, and subsequent payments totaling $1.0 million in May 2013. We recorded these payments as a gain on sale of asset within total operating expenses in each of the respective periods, net of transaction expenses.

Other Income (Expense)

Substantially all of our other income (expense) consists of non-cash costs associated with:

- a related party guarantee of our outstanding credit facility of $3.5 million;
- interest expense on related party convertible debt of $0.9 million;
- interest expense related to a beneficial conversion feature associated with the conversion of related- party convertible debt of $10.8 million;
- fair value adjustments to our derivative liability for warrants issued in conjunction with the related- party convertible debt and Series D-1 and Series D-2 convertible preferred stock of $7.9 million.

Interest paid on our outstanding bank debt comprises substantially all of the remaining other income (expense).

In April 2010, we entered into a $15.0 million credit facility agreement with HSBC Bank USA, National Association, or HSBC, which we refer to as the 2010 Credit Agreement or credit facility. This credit facility was guaranteed by a related party. We concluded that the guarantee represents a deemed contribution and recognized the value of the guarantee as deferred financing costs. The value of the guarantee was determined based on the difference between the credit facility's stated interest rate and the interest rate that would apply if there had been no guarantee from the related party. The value was determined to be $6.3 million at the time the credit facility was established and was amortized over the life of the credit facility. During March 2013, the credit facility and related party guarantee were extended through 2014. At the time of the extension, we concluded that the value of the new guarantee was $3.9 million. This amount was recorded as deferred financing costs and is being amortized through 2014.

On March 17, 2014, we entered into an addendum to the agreement with the related party guarantor to (1) use $7.5 million of the proceeds raised in connection with this offering to repay a portion of our outstanding credit facility no later than June 30, 2014, (2) amend our loan agreement with HSBC to reduce the aggregate amount we may borrow under our credit facility to $7.5 million, no later than June 30, 2014, and (3) repay all amounts owed to HSBC under our credit facility no later than December 31, 2014.

From December 2011 through June 2013, we issued convertible promissory notes totaling $12.3 million to related parties. These notes accrued interest at a rate of 8% per year. The purchasers of the convertible notes also received warrants to purchase common stock. The promissory notes, and accrued interest, were converted into preferred stock in December 2013. The warrant fair values were accounted for as a debt discount and amortized over the stated term of the convertibles notes. We concluded that the warrants qualified as a derivative liability and the fair value of the warrants should be adjusted at each reporting period. The amortization of the debt discount is recorded in amortization of deferred financing costs and debt discount and the change in the derivative liability is recorded in derivative fair value adjustment.

Income Tax (Expense) Benefit

Income tax expense consists of U.S. federal and state income taxes. To date, we have not been required to pay U.S. federal income taxes because of our current and accumulated net operating losses.

Results of Operations

Comparison of the Years Ended December 31, 2013 and 2012

	Years Ended December 31,				Period-to-Period Change	
	2013		2012			
	Amount	Percentage of Revenue	Amount	Percentage of Revenue	Amount	Percentage
	(dollars in thousands)					
Revenues	$ 16,857	100.0%	$ 16,837	100.0%	$ 20	0.1%
Cost of revenues	16,305	96.7%	14,364	85.3%	1,941	13.5%
Gross profit	552	3.3%	2,473	14.7%	(1,921)	(77.7)%
Operating expenses:						
Research and development	4,363	25.9%	8,927	53.0%	(4,564)	(51.1)%
Selling, general, and administrative	4,381	25.9%	4,742	28.2%	(361)	(7.6)%
Gain on sale of asset	(988)	(5.9)%	(3,412)	(20.3)%	2,424	(71.0)%
Total operating expenses	7,756	46.0%	10,257	60.9%	(2,501)	(24.4)%
Loss from operations	(7,204)	(42.7)%	(7,784)	(46.2)%	580	(7.5)%
Other (expense) income:						
Amortization of deferred financing costs and debt discount	(3,485)	(20.7)%	(2,918)	(17.3)%	(567)	19.4%
Interest expense for beneficial conversion feature	(10,802)	(64.1)%	—	*	(10,802)	*
Interest expense — related party	(892)	(5.3)%	(747)	(4.4)%	(145)	19.4%
Interest expense	(192)	(1.1)%	(225)	(1.3)%	33	(14.7)%
Derivative fair value adjustment	(7,886)	(46.8)%	185	1.1%	(8,071)	(4,362.7)%
Other income	—	*	12	0.1%	(12)	(100.0)%
Total other expense	(23,257)	(138.0)%	(3,693)	(21.9)%	(19,564)	529.8%
Net loss	$(30,461)	(180.7)%	$(11,477)	(68.2)%	$(18,984)	165.4%

* *Not applicable or meaningful*

Revenue. Revenue increased by $20,000, or 0.1%, from $16.8 million for the year ended December 31, 2012 to $16.9 million for the year ended December 31, 2013. During the year ended December 31, 2013, our revenue from contract research and development services increased by $0.4 million, or 2.3%, due to the increased services for animal health companies. The increase in revenue from contract research and development services was partially offset by non-recurring license payments received in 2012 wherein the related relationship period expired in early 2013. These non-recurring payments accounted for $0.3 million of total revenues in 2012.

Cost of Revenue. Cost of revenue increased by $1.9 million, or 13.5%, from $14.4 million for the year ended December 31, 2012 to $16.3 million for the year ended December 31, 2013. In 2012, our scientific personnel spent a significant amount of time developing our cyclophillin inhibitor products, and the

associated salaries and personnel-related costs for this effort were included in research and development expense. During 2013, our scientific personnel devoted more of their efforts on our animal health platform in our contract research and development services business, and the associated costs are included in cost of revenue. This resulted in an increase of $1.9 million in salaries and personnel-related costs and $0.4 million in contracted consultants, which were partially offset by a $0.3 million decrease in allocated overhead costs due to cost saving measures and a $0.1 million decrease in cost of materials. Although our overhead and cost of materials were lower in 2013 compared to 2012, our increased efforts on our animal health platforms had an unfavorable impact on our gross margin in 2013.

Research and Development. Research and development expense decreased by $4.6 million, or 51.1%, from $8.9 million for the year ended December 31, 2012, to $4.4 million for the year ended December 21, 2013. The decrease was primarily attributable to the reduced research and development activities for the year ended December 31, 2013 due to our scientific personnel devoting more of these efforts on our animal health platform in our contract research and development services business. We reduced our third-party research and development spending on SCY-635, which we are currently seeking to commercialize with a corporate partner. These resulted in a decrease of $3.0 million in salaries and personnel-related costs and $1.1 million in contracted research and development consultant costs. In addition, material costs used in research and development decreased by $0.5 million due to reduced activities.

Selling, General and Administrative. Selling, general and administrative expense decreased by $0.3 million, or 7.6%, from $4.7 million for the year ended December 31, 2012, to $4.4 million for the year ended December 31, 2013. The decrease was primarily attributable to the reduction in workforce resulting in a decrease of $0.6 million in salaries and personnel-related costs during the year ended December 31, 2013. In addition, we also made a concerted effort to reduce marketing costs during the year ended December 31, 2013, resulting in a $0.2 million reduction in our marketing costs compared to the prior year. These costs reductions were partially offset by a $0.3 million increase in our administrative contractor expense.

Gain on Sale of Asset. Gain on sale of asset decreased by $2.4 million from $3.4 million in the year ended December 31, 2012 to $1.0 million in the year ended December 31, 2013 due to the timing of receipt of payments on the sale of our internally developed research software. We sold the software for $4.5 million and recognized $3.4 million of gain, net of transaction costs, in May 2012 upon receipt of an initial payment of $3.5 million. We recognized the additional $1.0 million of gain in May 2013 upon receipt of the final payment.

Amortization of Deferred Financing Costs and Debt Discount. Amortization of deferred financing costs and debt discount increased by $0.6 million, or 19.4%, from $2.9 million for the year ended December 31, 2012 to $3.5 million for the year ended December 31, 2013. This increase was primarily attributable to the increase in amortization of finance costs related to a deemed contribution for a guarantee from a related party due to the amendment to the terms of the related loan and debt discount related to warrants issued with the convertible notes during the year.

Interest expense for beneficial conversion feature. During 2013, we incurred noncash interest expense of $10.8 million related to a beneficial conversion feature associated with the conversion of related-party convertible debt in December 2013.

Derivative fair value adjustment. Derivative fair value adjustment resulted in a $7.9 million loss for the year ended December 31, 2013 compared to $0.2 million gain for the year ended December 31, 2012. The loss for the year was mainly due to the issuance of warrants to purchase our common stock during the year ended December 31, 2013. These warrants are classified as derivative liability and are measured at fair value based on the valuation of our common stock.

Liquidity and Capital Resources

Sources of Liquidity

Through December 31, 2013, we have funded our operations through revenue from the provision of contract research and development services and $79.3 million from debt and equity issuances. As of December 31, 2013, we had cash and cash equivalents of approximately $1.4 million, compared to $2.4 million as of December 31, 2012.

We have incurred losses since our inception and, as of December 31, 2013, had an accumulated deficit of $113.3 million. We anticipate that we will continue to incur losses for at least the next several years. We expect that our research and development and selling, general and administrative expenses will continue to increase and, as a result, we will need additional capital to fund our operations, which we may obtain through one or more of equity offerings, debt financings, or other third-party funding, strategic alliances and licensing or collaboration arrangements.

In April 2010, we entered into the 2010 Credit Agreement, which was extended in March 2013. The 2010 Credit Agreement comprises a $5.0 million term loan and a $10.0 million revolving credit facility, which mature on December 31, 2014. Borrowings under the 2010 Credit Agreement carry interest at a rate of London InterBank Offered Rate plus 0.95% per annum. The weighted-average interest rate was 1.2% and 1.4% for the years ended December 31, 2013 and 2012, respectively. The full amounts of both the $5.0 million term loan and the $10.0 million revolving credit facility were outstanding as of December 31, 2013, and 2012. All outstanding borrowings under the agreement are guaranteed by a related party with a direct investment in our company. The 2010 Credit Agreement contains no financial covenants.

On March 17, 2014, we entered into an addendum to the guarantee agreement with the related party guaranteeing our 2010 Credit Agreement. Under this addendum, we agreed (1) to use $7.5 million of the proceeds from our planned IPO to repay a portion of the outstanding amounts under the 2010 Credit Agreement by June 30, 2014; (2) to amend the 2010 Credit Agreement by June 30, 2014 to reduce the aggregate amount the Company may borrow to $7.5 million; and (3) to repay all amounts owed under the 2010 Credit Agreement by December 31, 2014 in order to release the related party from its obligations under the guarantee.

In December 2011, we issued convertible notes and warrants to related parties that hold direct investments in our company and received proceeds of $5.5 million. The total principal amount of the convertible notes was $5.5 million and the convertible notes bore interest at a rate of 8% per annum. In January and May of 2012, we received $0.2 million and $5.7 million, respectively, from the issuance of additional convertible notes and warrants under the same agreement. In June 2013 we issued convertible notes that bear interest at a rate of 8% per annum to related parties that hold direct investments in our company and received proceeds of $0.9 million. On December 11, 2013, in connection with the stock purchase described in the next sentence, the total principal and interest then outstanding on the convertible notes amounting to $14.0 million were converted into Series D-1 and Series D-2 convertible preferred stock. In December 2013, we issued shares of our convertible preferred stock and warrants to purchase shares of our common stock to existing investors in our company and received net proceeds of $2.4 million.

Cash Flows

	Years ended December 31,	
	2013	2012
	(in thousands)	
Net cash used in operating activities	$ (4,307)	$ (10,596)
Net cash provided by investing activities	557	3,051
Net cash provided by financing activities	2,767	5,954
Net decrease in cash and cash equivalents	$ (983)	$ (1,591)

Operating Activities

For the year ended December 31, 2013, our net cash used in operating activities of $4.3 million consisted of a net loss of $30.5 million, primarily attributable to our spending on research and development and our selling, general and administrative functions, offset in part by $22.6 million in adjustments for non-cash items and $3.5 million of cash provided by changes in working capital. Adjustments for non-cash items primarily consisted of: interest expense related to a beneficial conversion feature associated with the conversion of related-party convertible debt of $10.8 million; amortization of deferred financing costs and debt discount of $3.5 million related to the warrants issued in connection with our convertible debt and a related-party guarantee to our credit facility that resulted in a deemed contribution; changes in fair value of our derivative liability of $7.9 million related to the warrants issued in connection with our debt; and depreciation expense of $1.3 million. These were partially offset by a gain on the sale of asset of $1.0 million. The increase in cash resulting from changes in working capital primarily consisted of a $1.4 million increase in deferred revenue, driven primarily by a large advance payment from a customer, a $0.9 million increase in interest payable – related party, which was primarily the result of accumulating interest on outstanding debt obligations, and a $1.4 million decrease in accounts receivable and unbilled services.

For the year ended December 31, 2012, our net cash used in operating activities of $10.6 million consisted of a net loss of $11.5 million, mostly attributable to our spending on research and development, and $0.1 million of cash used to fund changes in working capital, offset by $1.0 million in adjustments for non-cash items. Adjustments for non-cash items primarily consisted of amortization of deferred financing costs and debt discount of $2.9 million, related to the warrants issued in connection with our debt and a related party guarantee to our credit facility that resulted in a deemed contribution, and depreciation expense of $1.5 million. These were partially offset by a gain on the sale of asset of $3.4 million.

Investing Activities

For the year ended December 31, 2013, net cash provided by investing activities was $0.6 million, which primarily consisted of a gain on sale of internally developed research software of $1.0 million, offset in part by purchases of property and equipment of $0.4 million.

For the year ended December 31, 2012, net cash provided by investing activities was $3.1 million, which primarily consisted of a gain on sale of internally developed research software of $3.4 million, offset in part by property and equipment purchased of $0.4 million.

Financing Activities

For the year ended December 31, 2013, net cash provided by financing activities was $2.8 million, which consisted of $0.9 million in proceeds from the issuance of convertible notes and $2.4 million in net proceeds from the sale of Series D-2 convertible preferred stock and warrants to purchase shares of common stock. These were partially offset by payments for deferred offering costs of $0.5 million.

For the year ended December 31, 2012, net cash provided by financing activities consisted of $6.0 million in proceeds from the issuance of convertible notes.

Future Funding Requirements

To date, we have not generated any revenue from product sales. We do not know when, or if, we will generate any revenue from product sales. We do not expect to generate significant revenue from product sales unless and until we obtain regulatory approval of and commercialize SCY-078. We do not expect our contract research and development services to support our funding needs associated with the development of SCY-078. In addition, we expect our expenses to increase in connection with our ongoing development activities, particularly as we continue the research, development and clinical trials of, and seek regulatory approval for, product candidates. Upon the closing of this offering, we expect to incur additional costs associated with operating as a public company. In addition, subject to obtaining regulatory approval of product candidates, we expect to incur significant commercialization expenses for product sales, marketing, manufacturing and distribution. We anticipate that we will need substantial additional funding in connection with our continuing operations.

Based upon our current operating plan, we believe that the net proceeds from this offering, together with our existing cash and cash equivalents, will enable us to fund our operating expenses and capital expenditure requirements through at least the first half of 2016. We intend to devote the majority of the net proceeds from this offering to fund our Phase 2 clinical study, planned Phase 3 clinical study and any additional clinical studies necessary to support and to submit an NDA for SCY-078. We have based our estimates on assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures necessary to complete the development of product candidates.

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

- the progress, costs, and the clinical development of SCY-078;
- the outcome, costs and timing of seeking and obtaining FDA and any other regulatory approvals;
- the ability of product candidates to progress through clinical development successfully;
- our need to expand our research and development activities;
- the costs associated with our continuing to support our ability to provide contract research and development services;
- the costs associated with securing, establishing and maintaining commercialization and manufacturing capabilities;
- our ability to maintain, expand and defend the scope of our intellectual property portfolio, including the amount and timing of any payments we may be required to make, or that we may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights;
- our need and ability to hire additional management and scientific and medical personnel;
- our need to implement additional internal systems and infrastructure, including financial and reporting systems; and
- the economic and other terms, timing and success of our existing licensing arrangements and any collaboration, licensing or other arrangements into which we may enter in the future.

Until such time, if ever, as we can generate substantial revenue from product sales, we expect to finance our cash needs through a combination of equity offerings, debt financings, or other third-party funding, cash generated from the provision of contract research and development services, marketing and distribution arrangements, or other collaborations, strategic alliances or licensing arrangements. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the ownership interests of our common stockholders will be diluted, and the terms of these securities may include liquidation or other preferences that adversely affect the rights of our common stockholders. Debt financing, if available, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If we raise additional funds through other third-party funding, marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams, research programs or product candidates or to grant licenses on terms that may not be favorable to us.

Contractual Obligations, Commitments and Contingencies

Our principal commitments consist of obligations under our outstanding long-term debt facilities, non-cancelable leases for our office space and certain equipment, and a purchase commitment for the licensing of the internally developed research software we sold during the year ended December 31, 2012.

The following table summarizes these contractual obligations at December 31, 2013.

Contractual Obligations	Total	Less Than 1 Year	Years 1-3	Years 4-5	More Than 5 Years
			(in thousands)		
Debt:					
Principal payments	$15,000	$ 15,000	—	—	—
Interest payments *	179	179	—	—	—
Operating lease commitments	5,781	1,032	2,179	2,279	291
Purchase commitment	150	150	—	—	—
Total contractual obligations	$21,110	$ 16,361	$ 2,179	$ 2,279	$ 291

* Interest on our 2010 Credit Agreement is based on a variable interest rate (LIBOR) and is calculated using the interest rate as of the December 31, 2013.

The contractual obligations tables do not include any potential milestone payments we may be required to make under our collaboration and licensing agreements as the timing of when these payments will actually be made is uncertain and the payments are contingent upon the initiation and completion of future activities.

Off-Balance Sheet Arrangements

During the periods presented we did not have, nor do we currently have, any off-balance sheet arrangements as defined under SEC rules.

Critical Accounting Policies and Significant Judgments and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which we have prepared in accordance with accounting principles generally accepted in the United States, or GAAP. The preparation of our financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of our financial statements, as well as the reported revenues and

expenses during the reported periods. We evaluate these estimates and judgments on an ongoing basis. We base our estimates on historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

While our significant accounting policies are more fully described in Note 3 to our financial statements appearing elsewhere in this prospectus, we believe that the following accounting policies are critical to the process of making significant judgments and estimates in the preparation of our financial statements and understanding and evaluating our reported financial results.

Revenue Recognition and Deferred Revenue

We have historically derived substantially all of our revenue from contract research and development services performed under fee for service arrangements. We have also entered into collaboration and licensing agreements in which multiple elements exist, including the sale of licenses and the provision of services, in exchange for non-refundable upfront payments and consideration as services are performed. Under these arrangements, we are also entitled to receive development milestones and royalties in the form of a designated percentage of product sales. We recognize revenue when there is persuasive evidence of an arrangement, delivery has occurred or we have provided the service, the fees are fixed and determinable and collectability is reasonably assured.

We record amounts received prior to satisfying the above revenue recognition criteria as deferred revenue until all applicable revenue recognition criteria are met.

Stock-Based Compensation

We record the fair value of stock options issued as of the grant date as compensation expense. We recognize compensation expense over the requisite service period, which is equal to the vesting period.

Stock-based compensation expense has been reported in our statements of operations as follows:

	Years Ended December 31,	
	2013	2012
	(in thousands)	
Cost of revenue	$ 45	$ 103
Research and development	28	40
Selling, general and administrative	107	215
Total	$ 180	$ 358

Based upon an assumed initial public offering price of $13.00 per share, the midpoint of the range set forth on the cover of this prospectus, the aggregate intrinsic value of outstanding options to purchase shares of our common stock as of December 31, 2013 was $5.6 million, of which $5.0 million related to vested options and $0.6 million to unvested options.

Determination of the Fair Value of Stock-based Compensation Grants

We calculate the fair value of stock-based compensation arrangements using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the use of subjective assumptions, including volatility of our common stock, the expected term of our stock options, the risk free interest rate for a period

that approximates the expected term of our stock options, and the fair value of the underlying common stock on the date of grant. In applying these assumptions, we considered the following factors:

- we do not have sufficient history to estimate the volatility of our common stock price. We calculate expected volatility based on reported data for selected reasonably similar publicly traded companies for which the historical information is available. For the purpose of identifying peer companies, we consider characteristics such as industry, length of trading history, similar vesting terms and in-the-money option status. We plan to continue to use the guideline peer group volatility information until the historical volatility of our common stock is relevant to measure expected volatility for future option grants;
- the assumed dividend yield is based on our expectation of not paying dividends for the foreseeable future;
- we determine the average expected life of stock options based on the simplified method in accordance with SEC Staff Accounting Bulletin Nos. 107 and 110, as our common stock to date has not been publicly traded. We expect to use the simplified method until we have sufficient historical exercise data to provide a reasonable basis upon which to estimate expected term;
- we determine the risk-free interest rate by reference to implied yields available from U.S. Treasury securities with a remaining term equal to the expected life assumed at the date of grant; and
- we estimate forfeitures based on our historical analysis of actual stock option forfeitures.

The assumptions used in the Black-Scholes option-pricing model for the years ended December 31, 2013 and 2012, are set forth below:

Employee Stock Options

	Years Ended December 31,	
	2013	**2012**
Risk-free interest rate	1.99-2.33%	0.98-1.28%
Expected term (in years)	6.49	6.13-6.49
Expected volatility	65.49%	64.10%
Expected dividend yield	0%	0%
Forfeiture rate	5%	5%

Non-Employee Stock Options

	Years Ended December 31,	
	2013	**2012**
Risk-free interest rate	1.40-1.66%	0.98-1.28%
Expected term (in years)	5	5
Expected volatility	65.49%	64.10%
Expected dividend yield	0%	0%
Forfeiture rate	5%	5%

Determination of the Fair Value of Common Stock on Grant Dates

Historically, we have granted stock options at exercise prices not less than the fair value of our common stock. As there has been no public market for our common stock to date, the estimated fair value

of our common stock has been determined by our board of directors. We are a private company with no active public market for our common stock. Therefore, our board of directors has estimated per share fair value of our common stock at each grant date using recently prepared valuations performed in accordance with the guidance outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held Company Equity Securities Issued as Compensation*, also known as the Practice Aid. In conducting these valuations, our board of directors considered all objective and subjective factors that it believed to be relevant, including its and management's best estimate of our business condition, prospects and operating performance at each grant date. In reaching these fair value determinations, our board of directors and management considered a range of objective and subjective factors and assumptions including, among others:

- our results of operations, financial position, status of our research and development efforts, stage of development and business strategy;
- external market conditions affecting the life sciences and biotechnology industry sectors;
- the prices at which we sold shares of convertible preferred stock to third-party investors;
- the superior rights and preferences of the convertible preferred stock relative to our common stock at the time of each grant;
- our stage of development and business strategy and the material risks related to our business and industry;
- the valuation of publicly traded companies in the life sciences and biotechnology sectors, as well as recently completed mergers and acquisitions of peer companies;
- the lack of an active public market for our common stock and convertible preferred stock;
- the likelihood of achieving a liquidity event in light of prevailing market conditions, such as an initial public offering or sale of our company; and
- any recent contemporaneous valuations prepared in accordance with methodologies outlined in the Practice Aid.

Estimating the fair value of our common stock is highly complex and subjective because our shares are not publicly traded. We will not need these estimates to determine the fair value of new stock-based compensation awards once our underlying shares begin trading publicly.

Common Stock Valuation Methodology

We utilize the probability weighted expected return method, or PWERM, approach to allocate value to our common shares. The PWERM approach employs various market, income or cost approach calculations depending on the likelihood of various liquidation scenarios. For each of the various scenarios, an equity value is estimated and the rights and preferences for each stockholder class are considered to allocate the equity value to common stock. The common stock value is then multiplied by a discount factor reflecting the calculated discount rate and the timing of the event. Lastly, the common stock value is multiplied by an estimated probability for each scenario. The probability and timing of each scenario are based on discussions between our board of directors and our management team. Under the PWERM, the value of our common stock is based on five possible future events for our company:

- an initial public offering;
- an outright strategic sale;
- a staged strategic sale;

- remaining a private company; and
- a sale of our preclinical contract research and development services business.

Market Approach

The market approach uses similar companies or transactions in the marketplace, referred to as guideline companies. When using the guideline company method of the market approach in determining the fair value of our common stock under the initial public offering scenario, we identified companies similar to our business and used these guideline companies to develop relevant market multiples and ratios. We then applied these market multiples and ratios to our financial forecasts to create an indication of total equity value. In selecting the guideline companies used in our analysis, we applied several criteria, including companies in the life sciences and biotechnology sector, companies displaying economic and financial similarity in certain aspects of primary importance in the eyes of the investing public, and businesses that entail a similar degree of investment risk. When using the similar transaction methodology of the market approach in determining the fair value of our common stock under the strategic merger or sale scenario, we used publicly disclosed data from arm's-length transactions involving similar companies to develop relationships or value measures between the prices paid for the target companies and the underlying financial performance of those companies. We then applied these value measures to our applicable operating data to create an indication of total equity value.

Income Approach

For the income approach, we used the discounted free cash flow method, which is based on the premise that equity value as of the respective valuation date is equal to the projected future free cash flows and expected terminal value of the business, discounted by a required rate of return that investors would demand given the risks of ownership and the risks associated with achieving the stream of projected future free cash flows.

Cost Approach

We did not use the cost approach, which adjusts a company's significant tangible assets to market value, in our valuations because our value relates primarily to the intangible assets that are more appropriately valued using the market or income approaches.

The following table summarizes by grant date the number of shares of common stock subject to stock options granted from January 1, 2013 through the date of this prospectus, as well as the associated per share exercise price and the estimated fair value per share of our common stock on the grant date.

Grant Date	Number of Shares Underlying Options Granted	Exercise Price per Share	Estimated Fair Value per Share
July 11, 2013	8,054	$ 4.00	$ 4.00
December 20, 2013	50,750	$ 10.80	$ 9.36
January 16, 2014	237,848	$ 10.80	$ 9.36
February 20, 2014	6,250	$ 10.80	$ 9.36

Significant factors contributing to the determination of common stock fair value at the date of each grant beginning in fiscal year 2013 were as follows:

July 2013 Stock Option Grants. Our board of directors granted options to purchase 8,054 shares of common stock with an exercise price per share of $4.00 on July 11, 2013. In estimating the fair value of our common stock to set the exercise price of such options as of July 11, 2013, our board of directors reviewed

and considered a valuation report for our common stock as of December 31, 2012. The valuation report reflected a fair value for our common stock of $4.00 as of December 31, 2012. Our board of directors determined that there were no significant factors affecting the value of our common stock that had occurred between December 31, 2012 and July 11, 2013.

The primary valuation considerations were:

- the liquidity event scenario probabilities and valuation methods used for determining the fair value of our common stock, which were as follows:

Scenario	Probability	Valuation Method
Initial public offering	10%	Market
Outright strategic sale	15%	Market
Staged strategic sale	30%	Market
Remain a private company	20%	Income/Market
Sale of contract research and development services business	25%	Market

Our board of directors determined that the initial public offering market was improving, particularly within the life sciences and biotechnology sector and for companies of similar size and stage as us, and believed an initial public offering in mid-2014 was a possibility, thus assigning a probability of 10% to this scenario. Our board of directors considered remaining private to be possible but slightly less likely than the previous valuation given the uptick in initial public offering activity, resulting in this scenario being assigned a 20% probability. Similarly, our board of directors considered the sale of our contract research and development services business followed by a staged sale of the remaining business to be slightly less likely than a staged strategic sale scenario, thus assigning a 25% probability to this scenario;

- a discount rate of 30.2%, based on our estimated cost of capital; and
- a lack of marketability discount of 25%.

December 2013, January 2014 and February 2014 Stock Option Grants. Our board of directors granted options to purchase 50,750, 237,848 and 6,250 shares of common stock on December 20, 2013, January 16, 2014 and February 20, 2014, respectively, with an exercise price per share of $10.80. In setting the exercise price of these options as of the respective grant dates, our board of directors reviewed and considered a valuation report for our common stock as of September 30, 2013. The valuation report reflected a fair value for our common stock of $5.80 as of September 30, 2013. Our board of directors determined that there were significant factors which occurred between September 30, 2013 and the respective stock option grant dates that increased the fair value of our common stock, specifically:

- the board of directors made a decision to proceed with an initial public offering of our common stock; and
- we selected a lead underwriter for the initial public offering.

Having considered these factors, our board of directors set the exercise price per share at $10.80.

The primary valuation considerations as of September 30, 2013 were:

- the liquidity event scenario probabilities and valuation methods used for determining the fair value of our common stock, which were as follows:

Scenario	Probability	Valuation Method
Initial public offering	40%	Market
Outright strategic sale	10%	Market
Staged strategic sale	30%	Market
Remain a private company	10%	Income/Market
Sale of contract research and development services business	10%	Market

We determined that the initial public offering market within the life sciences and biotechnology sector and for companies of similar size and stage as us continued to be strong. Further, as a result of our meeting with the FDA in September 2013 we discovered that we may significantly reduce the time and expense associated with progressing SCY-078 through Phase 2 and Phase 3 studies. Therefore, we believed an initial public offering in the first quarter of 2014 was a strong possibility and, thus, assigned a probability of 40% to this scenario. Because a significant part of the value of the company is attributable to drugs in development, our board of directors considered a staged strategic sale the most probable outcome if an initial public offering did not occur, continuing to assign it a probability of 30%. We considered an outright strategic sale, remaining private, or a sale of our contract research and development services business followed by a staged sale of the remaining business to be possible but slightly less likely than the previous valuation given the higher probability of an initial public offering, resulting in each of these scenarios being assigned a probability of 10%;

- a lower discount rate of 25.3% due to reduced uncertainties associated with the operating forecast; and

- a lower lack of marketability discount of 10% due to a higher probability of a liquidity event in the next six months.

We have since received a valuation report of our common stock as of December 31, 2013. This valuation report reflected a fair value for our common stock of $9.36 as of December 31, 2013.

The primary valuation considerations as of December 31, 2013 were:

- the liquidity event scenario probabilities and valuation methods used for determining the fair value of our common stock, which were as follows:

Scenario	Probability	Valuation Method
Initial public offering	70%	Market
Outright strategic sale	10%	Market
Staged strategic sale	15%	Market
Remain a private company	5%	Income/Market
Sale of contract research and development services business	0%	N/A

During the fourth quarter of 2013, our board of directors decided to proceed with an initial public offering, selected our lead underwriter, filed our initial registration statement and believed an initial public offering by March 31, 2014 was a strong possibility. As such, we assigned a probability of 70% to this scenario. Our board of directors continued to believe a staged strategic sale to be the most probable outcome if an initial public offering did not occur, assigning a probability of 15% to this scenario. We continued to consider remaining private to be possible but slightly less likely than the

previous valuation given the higher probability of an initial public offering, resulting in an assigned probability of 5%. Unlike previous valuations, our board of directors determined that a sale of our contract research and development services business was no longer a viable option and, thus, assigned a probability of zero to this scenario;

- a lower discount rate of 24.8% due to reduced uncertainties associated with the operating forecast; and
- a lack of marketability discount of 10%.

The increase in the estimated fair value of our common stock from $5.80 per share as of September 30, 2013 to $9.36 per share as of December 31, 2013 was primarily due to the increased probability of an initial public offering by March 31, 2014.

Determination of the Fair Value of Common Stock Warrants on Issuance Dates

We have issued warrants to purchase our common stock in connection with the issuances of convertible notes and the issuance of Series D-2 convertible preferred stock. We calculated the fair value of common stock warrants at their intrinsic value, which is the estimated fair value of the common stock less the exercise price for the warrant. At the date of issuance, the fair value of the warrants issued with convertible notes is recognized as a debt discount to the convertible notes, which is amortized to expense over the stated term of the related notes, and as a long-term derivative liability, which is adjusted at each reporting period to reflect its fair value calculated based on the estimated fair value of our common stock. At the date of issuance, the fair value of the warrants issued with the Series D-2 convertible preferred stock is recognized as a discount to the Series D-2 convertible preferred stock, which is accreted to additional paid-in capital, and as a long-term derivative liability, which is adjusted at each reporting period to reflect its fair value calculated based on the estimated fair value of our common stock.

We issued common stock warrants with nominal exercise prices. The following table summarizes the number of shares of common stock subject to warrants granted from January 1, 2012 through the date of this prospectus, as well as the associated per share exercise price, and the estimated fair value per share of our common stock at the grant date:

Issuance Date	Number of Shares Underlying Common Stock Warrants	Exercise Price per Share	Estimated Fair Value per Share
January 27, 2012	2,571[1]	$ 0.04	$ 4.80
May 15, 2012	66,340[2]	$ 0.04	$ 4.80
December 11, 2013	1,176,281[3]	$ 0.04	$ 9.48
January 31, 2014	97,158	$ 0.04	$ 9.36

1 Excludes 5,349 additional shares that became issuable with the closing of the sale of our Series D-2 convertible preferred stock on December 11, 2013.

2 Excludes 138,004 additional shares that became issuable with the closing of the sale of our Series D-2 convertible preferred stock on December 11, 2013.

3 Includes 276,009 additional shares that became issuable under our December 2011 warrants, January 2012 warrants and May 2012 warrants upon the closing of the sale of our Series D-2 convertible preferred stock on December 11, 2013.

January 2012 Common Stock Warrant Issuance. On January 27, 2012, we issued warrants to purchase 2,571 shares of our common stock in connection with an issuance of convertible notes. In estimating the fair

value of our common stock warrants at the issuance date, we reviewed and considered the valuation report for our common stock as of December 31, 2011 that reflected a fair value for our common stock of $4.80 per share. We determined that there were no significant factors affecting the value of our common stock that had occurred between December 31, 2011 and January 27, 2012. The primary valuation considerations are discussed in the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates—Stock-Based Compensation—Determination of the Fair Value of Common Stock on Grant Dates."

May 2012 Common Stock Warrant Issuance. On May 15, 2012, we issued warrants to purchase 66,340 shares of our common stock in connection with an issuance of convertible notes. In estimating the fair value of our common stock warrants at the issuance date, we reviewed and considered the valuation report for our common stock as of December 31, 2011 that reflected a fair value for our common stock of $4.80 per share. We determined that there were no significant factors affecting the value of our common stock that had occurred between December 31, 2011 and May 15, 2012. The primary valuation considerations are discussed in the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates—Stock-Based Compensation—Determination of the Fair Value of Common Stock on Grant Dates."

December 2013 Common Stock Warrant Issuances. On December 11, 2013, holders of the June 2013 convertible notes, upon their request under the terms of the convertible notes agreement, received warrants to purchase 453,845 shares of our common stock. In addition, we also issued warrants to purchase 446,427 shares of our common stock in connection with the issuance of Series D-2 convertible preferred stock on December 11, 2013.

The warrants that we previously issued in December 2011, as well as the warrants issued in January 2012 and May 2012, contained a provision by which the number of common shares underlying these warrants will be adjusted based on the number of shares issued upon conversion of the related notes. On December 11, 2013, the related notes were converted. As a result, the number of common shares underlying these warrants increased by 276,009 to a total of 408,688.

January 2014 Common Stock Warrant Issuance. On January 31, 2014, we issued warrants to purchase 97,158 shares of our common stock in connection with the issuance of Series D-2 convertible preferred stock on that date.

Issuance of Series D-1 and D-2 Convertible Preferred Stock

On December 11, 2013, we entered into an agreement to sell 1,785,712 shares of Series D-2 convertible preferred stock at $1.40 per share for an aggregate price of $2.5 million.

Concurrent with the sale, the holders of the convertible notes elected to convert the outstanding convertible notes. Under the election, the outstanding principal of $12.3 million and the accrued interest balance of $1.7 million converted into 6,054,255 shares of Series D-1 convertible preferred stock and 3,956,985 shares of Series D-2 convertible preferred stock at a conversion price of $1.40 per share.

On January 31, 2014, we sold an additional 388,641 shares of Series D-2 convertible preferred stock under the December 11, 2013 agreement at $1.40 per share for an aggregate price of $0.5 million.

Deferred Financing Costs

We incur financing costs associated with issuing our debt facilities and recognize these costs in our balance sheet as noncurrent assets. We amortize our deferred financing costs over the life of the related debt.

Our most significant financing cost incurred to date is associated with our credit facility entered into in April 2010 and extended in March 2013. The credit facility was guaranteed by a related party. We concluded that the guarantee represents a deemed contribution and recognized the fair value of the guarantee as deferred financing costs. We determined the value of the guarantee based on the difference between the credit facility's stated interest rate and the interest rate that would apply had there been no guarantee from the related party. The value was determined to be $6.3 million at the time the credit facility was established and was amortized over the life of the credit facility. During March 2013, the credit facility and related party guarantee were extended through 2014. At the time of the extension, we concluded that the value of the new guarantee was $3.9 million. This amount was recorded as deferred financing costs and is being amortized through 2014.

Fair Value of Financial Instruments

We have common and preferred stock warrants that meet the definition of derivative financial instruments and are accounted for as derivatives. The fair value of these warrant derivatives is based on a valuation of our common stock at each reporting period. In order to determine the fair value of our common stock, we use a probability-weighted expected return method, or PWERM. Significant inputs for the PWERM included an estimate of our equity value, a weighted average cost of capital, and an estimated probability and timing for each valuation scenario.

The derivative liability for the common and preferred stock warrants was $12.2 million at December 31, 2013 based on an estimated fair value of the common stock and Series C-1 convertible preferred stock. A 10% increase in the estimated fair value of the common stock and Series C-1 convertible preferred stock would have resulted in a derivative liability of $13.5 million, and a 10% decrease in the estimated fair value of the common stock and Series C-1 convertible preferred stock would have resulted in a derivative liability of $11.0 million. Estimating the fair value of the underlying shares is highly complex and subjective because our shares are not publicly traded.

Upon exercise of the warrants, we will adjust the derivative liability to fair value with any changes recorded in other income (expense). At such time, the derivative liability will also be reclassified to additional paid-in capital, and no further revaluations will be necessary.

The beneficial conversion feature associated with the conversion of related-party convertible notes in December 2013 resulted in additional interest expense of $10.8 million based on the estimated fair value of our Series D-1 and Series D-2 convertible preferred stock on the dates the convertible notes were issued. Since the amount of the beneficial conversion feature was limited by the amount of the proceeds allocated to the convertible notes, a 10% increase or decrease in the estimated fair value of our Series D-1 and Series D-2 convertible preferred stock would not have changed the amount that we recognized as additional interest expense for the year ended December 31, 2013.

We recorded a beneficial conversion feature associated with the sale of Series D-2 convertible preferred stock in December 2013 of $4.2 million based on the estimated fair value of the common stock on December 11, 2013 of $9.48. A 10% increase in the estimated fair value of the common stock would have resulted in a beneficial conversion feature of $4.7 million, and a 10% decrease in the estimated fair value of the common stock would have resulted in a beneficial conversion feature of $3.8 million. Estimating the fair value of the underlying shares is highly complex and subjective because our shares are not publicly traded.

We recorded a beneficial conversion feature associated with the antidilution adjustment of our Series B, Series C, and Series C-2 convertible preferred stock in December 2013 of $6.4 million based on the estimated fair value of the common stock on the issuance date of the respective convertible preferred stock. A 10% increase in the estimated fair value of the common stock would have resulted in a beneficial

conversion feature of $7.0 million, and a 10% decrease in the estimated fair value of the common stock would have resulted in a beneficial conversion feature of $5.8 million. Estimating the fair value of the underlying shares is highly complex and subjective because our shares are not publicly traded.

Utilization of Net Operating Loss Carryforwards

As of December 31, 2013, we had federal net operating loss, or NOL, carryforwards of approximately $71.8 million, North Carolina net economic loss, or NEL, carryforwards of approximately $76.0 million, and Pennsylvania NOL carryforwards of approximately $0.1 million. The federal NOL, North Carolina NEL, and Pennsylvania NOL carryforwards begin to expire in 2020, 2015, and 2022, respectively.

As of December 31, 2012, we had federal net operating loss, or NOL, carryforwards of approximately $64.8 million, North Carolina net economic loss, or NEL, carryforwards of approximately $69.2 million, and Pennsylvania NOL carryforwards of approximately $0.1 million. The federal NOL, North Carolina NEL, and Pennsylvania NOL carryforwards begin to expire in 2020, 2015, and 2022, respectively.

In accordance with Section 382 of the Internal Revenue Code of 1986, as amended, or the Code, a change in equity ownership of greater than 50% within a three-year period results in an annual limitation on a company's ability to utilize its NOL carryforwards created during the tax periods prior to the change in ownership. We have determined that we have experienced Section 382 ownership changes in the past and a portion of our NOL carryforwards are subject to an annual limitation under Section 382 of the Code. If we experience a Section 382 ownership change in connection with this offering or as a result of future changes in our stock ownership, the tax benefits related to the NOL carryforwards may be further limited or lost.

Recent Accounting Pronouncements

We anticipate that the adoption of recently issued accounting standards will have no impact on our financial condition, results of operations, or disclosures.

Quantitative and Qualitative Disclosure about Market Risk

Interest Rate Sensitivity

Our cash and cash equivalents as of December 31, 2013 consisted of cash maintained in several FDIC insured operating accounts. Our primary exposure to market risk for our cash and cash equivalents is interest income sensitivity, which is affected by changes in the general level of U.S interest rates. However, we do not believe a sudden change in the interest rates would have a material impact on our financial condition or results of operations.

We are subject to interest rate risk in connection with borrowing under our credit agreement, which comprises a $5.0 million term loan and a $10.0 million revolving credit facility. Borrowings under the agreement carry interest at a rate of LIBOR plus 0.95% per annum. Any borrowings under this agreement are at a variable rate and, as a result, increases in market interest rates would generally result in increased interest expense on our outstanding borrowings. As of December 31, 2013, we had $15.0 million outstanding under the agreement. As a result, each change of one percentage point in interest rates would result in an approximate $0.2 million change in our annual interest expense on our outstanding borrowings.

Inflation

We do not believe that inflation and changing prices has had a significant impact on our business, financial condition or results of operations for any periods presented.

BUSINESS

Overview

SCYNEXIS is a pharmaceutical company committed to the discovery, development and commercialization of novel anti-infectives to address significant unmet therapeutic needs. We are developing our lead product candidate, SCY-078, as a novel oral and intravenous (IV) drug for the treatment of serious and life-threatening invasive fungal infections in humans. SCY-078 has been shown to be effective *in vitro* and *in vivo* in animal studies against a broad range of *Candida* and *Aspergillus* fungal species, including drug resistant strains. These important pathogens account for approximately 85% of invasive fungal infections in the United States and Europe. SCY-078 was shown to be sufficiently safe and well-tolerated in multiple Phase 1 studies to support progression to Phase 2 studies. We anticipate that the first patient will be enrolled in the second half of 2014 in a Phase 2 study with an oral formulation of SCY-078 for the treatment of invasive *Candida* infection, a common and often fatal invasive fungal infection, and anticipate beginning studies with an IV formulation of SCY-078 in 2015. In addition, we have clinical and preclinical programs based on the use of cyclophilin inhibitors to treat viral diseases. We also provide contract research and development services primarily in the field of animal health, which currently generate substantially all of our revenue.

We estimate that the annual worldwide market for systemic anti-fungal therapeutics, where we will target SCY-078, is approximately $3.6 billion. Each year there are estimated to be over 600,000 confirmed cases of invasive fungal infections caused by various species of *Candida* and *Aspergillus*, two of the most serious fungal pathogens in the United States and Europe. The rapid progression of the disease and the high mortality rates associated with invasive fungal infections often result in treatments being administered in unconfirmed cases or as a preventative measure. For example we estimate that the total number of patients treated for invasive *Candida* infections to be approximately three to four times the number of confirmed cases. Also, there is increasing use of drugs that suppress the immune system, such as chemotherapies or drugs for auto-immune disease and transplantation, which has led to an increased rate of invasive fungal infections. Furthermore, the limited number of anti-fungal drug classes, consisting of azoles, echinocandins and polyenes, and their widespread use, has led to increased numbers of, and infections with, drug-resistant strains. The resulting pattern of infection, followed by treatment, followed by the development of resistance, followed by more infections is familiar to the medical community, as it has faced these same issues with multi-drug resistant bacterial infections such as methicillin-resistant *Staphylococcus aureus*, commonly known as MRSA.

SCY-078 represents a new chemical class of drugs designed to block an established target in infectious fungi. We have conducted studies of SCY-078 using animal models that were used in the development of previously approved anti-fungal drugs where these models were proven to be predictive of efficacy in humans. Using these well-established animal models, SCY-078 was shown to be highly active against *Candida* and *Aspergillus*. SCY-078 has shown potent *in vitro* activity against a large collection of medically relevant strains of *Candida* and *Aspergillus*, including multi-drug resistant strains that have been isolated from infected patients. Across seven Phase 1 studies, which included over 100 healthy human volunteers, SCY-078 achieved sustained blood concentrations at levels believed to be clinically relevant and was sufficiently safe and well tolerated to support progression to Phase 2 studies. We are developing both an IV and oral formulation of SCY-078 because patients are typically prescribed IV treatment in hospitals, and then are switched, or “stepped down,” to oral formulations when the patient shows sufficient improvement of symptoms. The availability of SCY-078 in both oral and IV formulations would allow patients to remain within the same drug class and potentially be discharged from the hospital sooner.

As the next step in the development of SCY-078, we plan to conduct a randomized Phase 2 study and we anticipate that the first patient will be enrolled in the second half of 2014. This will be a three arm study comparing two doses of SCY-078 to current standard of care in patients with invasive *Candida* infections.

We also intend to initiate studies with an IV formulation of SCY-078 in the first half of 2015. The next study evaluating the efficacy and safety of SCY-078 in patients will include the option of stepping down from IV to oral SCY-078.

If approved, we intend to market SCY-078 to hospitals and major medical centers, where physicians specializing in critical care, infectious disease specialists, and physicians treating immune-compromised patients, such as oncologists and those performing solid organ transplants and stem cell transplants, are likely to be found and where invasive fungal infections are more prevalent.

Despite the increasing availability of generic azole drugs and the eventual availability of generic echinocandin drugs, we believe SCY-078, once commercialized, will achieve market acceptance at prices comparable to that of the top selling branded hospital-based antibiotics. We believe we can achieve branded pricing even with the increasing availability of generic drugs. We anticipate positioning SCY-078 for use in patients infected with multi-drug resistant strains and as an alternative to echinocandins.

- *Drug resistant strains.* There are many invasive fungal strains resistant to azole drugs. High rates of morbidity and mortality, and extended hospital stays associated with infections from drug resistant strains, will make a strong argument for use of a branded-priced anti-fungal drug which is effective against these resistant strains.
- *Alternative to echinocandins.* Physicians are reluctant to prescribe azoles in hospitals where azole resistance is prevalent, as an ineffective course of therapy can compromise the patient's survival. Thus, in these settings, physicians often prescribe echinocandins; but echinocandins are only available in IV formulation. Subsequent step down to an oral azole to allow release from the hospital risks relapse of an azole resistant infection if the original pathogen was not identified and susceptibility determined, leading some physicians to keep patients on IV echinocandins for the full course of therapy. If successfully developed, SCY-078 would provide an attractive alternative to echinocandin therapy by offering an IV-to-oral step-down within a single therapeutic class, thereby facilitating earlier discharge from the hospital and the resultant reduced exposure to the risk of hospital-acquired infections.

Our Corporate Strategy

Key elements of our strategy include:

- further develop SCY-078 to obtain regulatory approval in major commercial markets;
- commercialize SCY-078 in the United States through a focused hospital-based sales force;
- contract with commercial partners to develop and commercialize SCY-078 outside of the United States; and
- leverage our strong scientific team and extensive in-house expertise in human and animal drug development to pursue the development of proprietary compounds.

Overview of the Anti-Fungal Market

Background of Fungal Diseases

Candida and *Aspergillus* species are responsible for approximately 85% of all invasive fungal infections in the United States and Europe. Infections caused by *Candida* rank as the fourth most common hospital-acquired bloodstream infection in the United States. There are approximately 400,000 confirmed cases of invasive *Candida* infections annually worldwide. Invasive *Candida* infections result in a mortality rate ranging from 27% to 42% depending on the immune status of the patient. Globally, an estimated 200,000 patients develop confirmed invasive *Aspergillus* infections annually and about 50% of these patients die, even with treatment.

Hospital-acquired fungal infections due to *Candida* and *Aspergillus* species are becoming an increasing problem for the healthcare system. The increases in invasive fungal infections are due to the increased use of immune-suppressing chemotherapies and transplant drugs, and in-dwelling catheters, among other factors. Confirmed cases of invasive *Candida* infections rose in the United States by 52% between 2000 and 2005. In addition, the increase in use of broad spectrum antibiotics has been shown to contribute significantly to the risk of developing invasive fungal infections. Confirmed cases of invasive *Aspergillus* infections nearly doubled in the United States among patients receiving hematopoetic stem cell transplants between 2002 and 2005.

We believe confirmed cases of *Candida* blood infections account for only approximately one-quarter to one-third of *Candida* treatments. We further believe therapy prior to diagnosis, based on the presence of symptoms, represents a majority of the non-confirmed *Candida* treatments. This "empiric" therapy is clinically warranted because invasive *Candida* infections can be difficult to diagnose and the diagnosis is often available only after the patient has become too ill to recover. Initiation of therapy within the first twelve hours following suspicion of fungal infection reduces the risk of death by threefold. In addition, increased numbers of patients are undergoing procedures, such as chemotherapy and solid organ and stem cell transplants, that cause or result in immune-suppression and therefore put patients at high risk of invasive *Candida* infections. As a result, we believe anti-fungal therapy as preventative treatment accounts for the remaining *Candida* treatments.

Current therapeutic options

Invasive fungal infections are currently treated using three main classes of anti-fungal drugs that target fungal cell membranes or cell walls. Each of these anti-fungal drugs has its own limitations that reduces its clinical usefulness.

Azoles. Azoles, which block biosynthesis of a fungal cell membrane component, are the most frequently used class for treatment of invasive fungal infections and are available in IV and oral formulations. Azoles are used extensively for prevention and in unconfirmed cases. However, while azole-sensitive species have been well-treated, this has permitted azole-resistant infections, with species such as *Candida glabrata,* to become more prevalent. Further, cross resistance among the azoles exists, which means that once an azole has been tried and failed, another azole may not be effective. Despite these limitations, annual sales of azoles exceeded $2.1 billion in 2011. Voriconazole, the leading azole, generated revenues of $754 million in 2012.

Echinocandins. Echinocandins block biosynthesis of fungal cell walls by inhibiting a glucan synthase enzyme, an enzyme not found in human cells. The clinical success of echinocandins, particularly in azole resistant infections, combined with their good tolerability profile, has resulted in these compounds being increasingly used in the treatment of invasive *Candida* infections. However, echinocandins are only available in IV formulation. To allow for discharge from the hospital as quickly as possible, preferred medical practice is to transition eligible patients from IV to oral therapy. Without the availability of an oral echinocandin, physicians are forced to choose between administering oral azoles as a step down therapy and thereby risk re-emergence of an infection which may be azole resistant, or keeping the patient on an IV therapy, which may require continued hospitalization. Despite limitations as an IV-only therapy, annual sales of echinocandins were approximately $1.1 billion in 2011. Caspofungin, the leading echinocandin, generated revenues of $619 million in 2012.

Polyenes. Polyenes disrupt fungal cell membranes. The primary commercial polyene, amphotericin B, is used to treat a wide variety of fungi, including rare and difficult-to-treat species. However, polyenes have serious side effects including acute, potentially fatal kidney and heart injury. As a result, polyenes are typically used as a drug of last resort for treating invasive *Candida* and *Aspergillus* infections. Despite this toxicity, annual sales of lipid amphotericin B alone were approximately $450 million in 2012.

Anti-fungal Drug Resistance

Broad use of azole drugs has resulted in an increasing incidence of drug resistant *Candida* infections. At hospitals performing medically intensive procedures such as transplantation, rates of reduced azole susceptibility have reached 15-20%. We believe the rising level of azole resistance is driven by the reduction in prevalence of susceptible species such as *Candida albicans* and the resultant increase in prominence of infections caused by species inherently resistant to azoles, such as *Candida glabrata* and *Candida krusei.* Declining azole efficacy in *Candida* infections has caused echinocandins to emerge as drugs of first choice for most patients with invasive *Candida* infections. However, a recent study reported echinocandin resistance for *Candida glabrata* at an incidence rate exceeding 10%. Of the echinocandin resistant strains, the majority are also resistant to azoles, making these strains multi-drug resistant.

Broad use of azole drugs has also fostered resistance in *Aspergillus* species. In a 2010 study, two U.S. laboratories reported resistance rates of approximately 50% in the *Aspergillus fumigatus* species, which accounts for the majority of *Aspergillus* fungal infections in the United States. These results were corroborated in another study, in which azole-resistant mutations were observed in approximately half of the *Aspergillus* samples evaluated from patients diagnosed with invasive *Aspergillus* lung infections.

Our Product Candidate: SCY-078

SCY-078 Overview

We discovered and developed SCY-078 through a research collaboration with Merck Sharp & Dohme Corp., or Merck, a subsidiary of Merck & Co., Inc., and in May 2013 acquired worldwide rights to SCY-078 in the field of human health. The compound is derived, by chemical modification, from a natural product that shows anti-fungal activity against *Candida* and *Aspergillus* through inhibition of glucan synthesis, like the echinocandin class. SCY-078 was shown to exhibit fungicidal activity against *Candida albicans*, the most common cause of invasive fungal infections among the *Candida* species, consistent with that of the echinocandins. In addition, SCY-078 has shown potent *in vitro* activity against approximately 650 laboratory and clinically important strains of *Candida* and *Aspergillus*, including strains that are resistant to azoles and echinocandins. Activity against the majority of echinocandin resistant strains suggests that SCY-078 represents a new class of anti-fungal agents that acts on a validated anti-fungal target in a manner distinct from the echinocandins.

In animal models of invasive fungal infections used to test other drugs that have proven to be effective in humans, SCY-078 was shown to be highly active against *Candida* and *Aspergillus* species. Further studies performed in these animal models allowed for the determination of the drug concentrations in blood required to achieve full anti-fungal effect. These correlations of drug exposure to drug activity, or PK/PD, have been used to identify the predicted human dose believed to be required to achieve efficacy.

In Phase 1 studies, SCY-078 has been shown to be sufficiently safe and well-tolerated in approximately 100 healthy human subjects at initial oral doses of up to 1800mg in one day and doses up to 800mg per day for 28 consecutive days to support progression into Phase 2 studies. Furthermore, oral dosing of the compound results in sustained blood concentrations in the range predicted from preclinical PK/PD studies to be required for efficacy. We plan to conduct a randomized Phase 2 study of the oral formulation of SCY-078 for invasive *Candida* infections, and anticipate that the first patient will be enrolled in the second half of 2014. We are developing an IV formulation of SCY-078 and expect it will be available for clinical studies in the first half of 2015.

In connection with our acquisition of the worldwide rights to SCY-078, Merck transferred to us responsibility for the investigational new drug application, or IND, for SCY-078, including all related technical documents, preclinical data, data from the seven Phase 1 trials conducted by Merck, and drug

product and drug substance. The drug supplies included sufficient amounts of SCY-078 to complete the planned Phase 2 clinical trials for the oral formulation. Merck also transferred additional quantities of active pharmaceutical ingredient, which we believe will be sufficient to support development and manufacture of an IV formulation for clinical studies and provide material for additional toxicology studies.

The Generating Antibiotics Incentives Now Act, or GAIN Act, was enacted in July 2012 to encourage the development of novel anti-infective drugs in the face of increasing drug resistance. Before the passage of the GAIN Act, the FDA traditionally required sponsors of novel anti-fungal drugs to use non-life threatening fungal infections, such as esophageal *Candida* infections, for a proof-of-concept study in preparation for Phase 3 studies in invasive disease. This approach added time and cost to the process of developing novel drugs for invasive fungal infections. In order to encourage the development of treatments for serious or life-threatening infections, the GAIN Act required the FDA to review and ensure clear guidelines for clinical development of antibacterial and anti-fungal drugs. After receiving rights to SCY-078 in May 2013, in September 2013 we met with the FDA which recommended we proceed with a smaller scale Phase 2 study directly in patients with invasive *Candida* infections, our intended patient population, without first conducting studies of esophageal *Candida* infections. These changes, we believe, may significantly reduce the time and expense associated with progressing SCY-078 through Phase 2 and Phase 3 studies.

The FDA has designated the oral formulation of SCY-078 as a Qualified Infectious Disease Product, or QIDP, under the GAIN Act. We will submit an additional application to have the IV form of SCY-078 designated as a QIDP. The QIDP designation provides, among other benefits, eligibility for increased access to the FDA during the development process as a fast track product, priority review once an NDA is submitted, and, if SCY-078 is approved for its proposed use and awarded five years of exclusivity as a new chemical entity, SCY-078 will be eligible for a ten-year period of data exclusivity, comprising five years of NCE exclusivity plus an additional five years as a designated QIDP. This exclusivity period should protect SCY-078 from being referenced in an abbreviated new drug application, or ANDA, in support of a generic drug, or a 505(b)(2) new drug application for a follow-on product until the expiration of the exclusivity period, which may be shortened by one year if an ANDA or 505(b)(2) applicant seeks to challenge any of the patents that claim SCY-078.

SCY-078 is protected by an issued composition of matter patent in the United States which provides exclusivity through 2030. We have licensed rights to develop and commercialize SCY-078 in the field of human health in Russia and certain smaller non-core markets to R-Pharm, CJSC, or R-Pharm, a leading supplier of hospital drugs in Russia, in exchange for an upfront payment, royalties, and their expertise and financial assistance in developing the compound.

SCY-078 Target Product Profile

We believe that there is significant commercial opportunity for a new anti-fungal drug that has potent activity against azole and echinocandin susceptible and resistant *Candida* and *Aspergillus* strains, available in both oral and IV formulations, and has a favorable safety and tolerability profile. SCY-078 has the potential to address all of these needs and could be used as follows:

Treatment of invasive Candida infections. If SCY-078 is proven safe and effective for the treatment of invasive *Candida* infections, we believe that it could overtake the echinocandins as the drug of choice for these infections because it will be available as both an IV and oral form. More than mere convenience, an orally effective anti-fungal would allow patients to be transitioned more easily from hospital-based care to outpatient care which would reduce, or eliminate, expensive hospital stays.

Treatment of infections with drug resistant Candida. SCY-078 has been shown to be effective preclinically against *Candida* species inherently resistant to azoles, such as *Candida glabrata* and *Candida*

krusei, and against azole resistant strains of other species such as *Candida albicans*. In addition, SCY-078 has been shown to be effective preclinically against the majority of echinocandin-resistant *Candida* strains tested. SCY-078 could provide a first line treatment against invasive *Candida* infections known to be resistant to currently available azoles and echinocandins.

Treatment of invasive Aspergillus infections. If SCY-078 is proven safe and effective in treating invasive *Aspergillus* infections, we believe the drug would offer significant advantages over the current first line azole therapy of voriconazole due to the numerous drug interactions and adverse events associated with the use of voriconazole. Furthermore, SCY-078 has been shown to be effective *in vitro* against all azole-resistant strains of *Aspergillus* tested. SCY-078 could provide a first line treatment against invasive *Aspergillus* infections known to be resistant to currently available azoles.

Prevention of Candida and Aspergillus infections. If proven to be safe and effective when used as a preventative treatment for *Candida* and *Aspergillus* infections, SCY-078 would offer advantages over current prophylactic drugs because of its activity against fungal strains that are resistant to azoles.

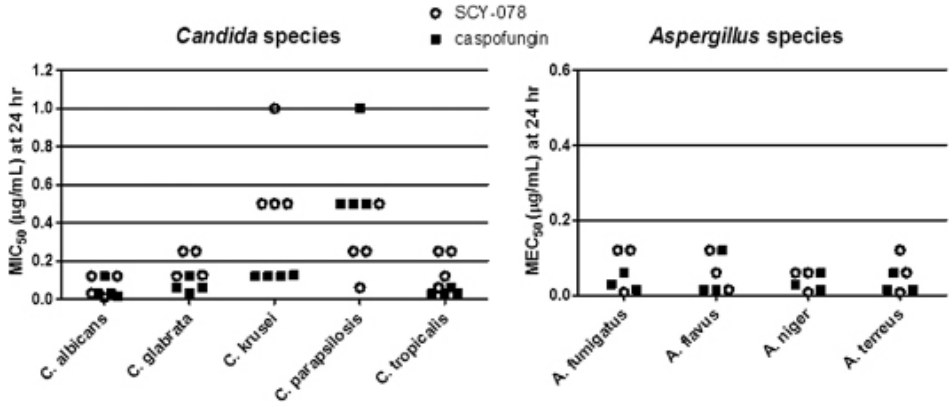
Preclinical Characterization of SCY-078

SCY-078 has broad anti-fungal activity based on a proven mechanism of action

SCY-078 is a potent inhibitor of the synthesis of the fungal cell wall polymer glucan, an essential component of *Candida* and *Aspergillus* species. Glucan synthesis inhibition is a clinically proven anti-fungal mechanism, as demonstrated by the echinocandin class of anti-fungal agents. Activity of SCY-078 observed against the majority of echinocandin-resistant strains suggests that SCY-078 acts in a manner distinct from the echinocandins.

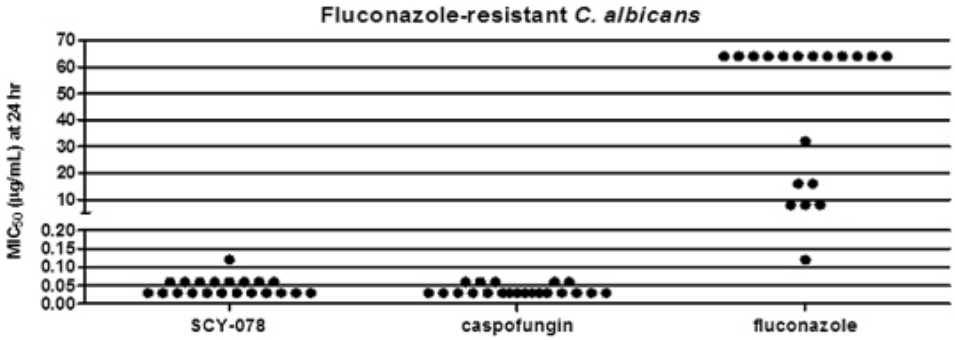
SCY-078 is active in vitro against a broad spectrum of Candida and Aspergillus species

SCY-078 has been shown to have potent activity *in vitro* against over 500 strains from eleven *Candida* species and 150 strains from four *Aspergillus* species. The charts below summarize the *in vitro* activity of SCY-078 against a collection of "wild-type" strains (*i.e.*, those having no known drug resistance) of *Candida* and *Aspergillus*. Drug activity was measured as the minimum concentration of drug which inhibits replication of *Candida* or growth of *Aspergillus* by more than 50% relative to untreated cultures (MIC_{50} and MEC_{50}, respectively). Each data point represents the average activity value for all strains tested at a single laboratory. Four laboratories were used for evaluation of *Candida* and three laboratories were used for evaluation of *Aspergillus* to confirm reproducibility of results among independent test sites. The potency of SCY-078 against these *Candida* and *Aspergillus* strains is comparable, within assay variability, to that of caspofungin, the current leading echinocandin.



SCY-078 is active in vitro against azole-resistant Candida and Aspergillus strains

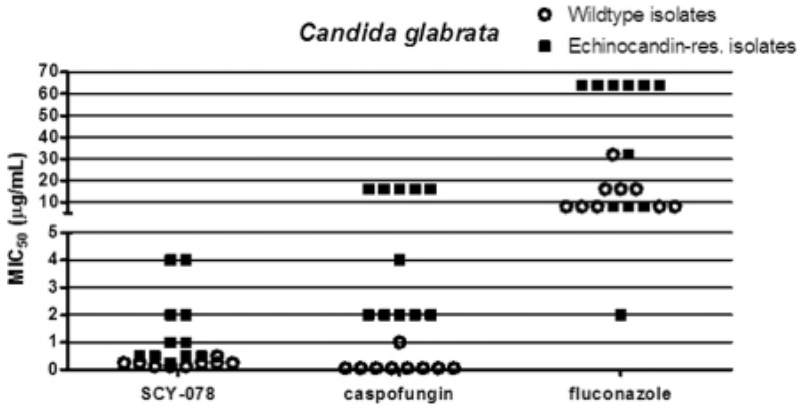
Widespread use of azole drugs has allowed azole-resistant strains of *Candida* and *Aspergillus* to become increasingly prevalent, leading to treatment failures. Cross resistance among azoles means that once an azole has been tried and failed, another azole may not be effective. SCY-078 was active against all azole-resistant *Candida* strains tested, with activity comparable to that observed against wild-type strains. As shown in the graph below, the *in vitro* activity of SCY-078 was comparable to that of the leading echinocandin against *Candida albicans* resistant to fluconazole, a leading azole.



SCY-078 was also active against all azole-resistant *Aspergillus* strains tested, with the range of MEC_{50} values comparable to those observed against wild-type strains.

SCY-078 is active in vitro against a majority of echinocandin-resistant Candida species

Echinocandin resistance is also increasing, particularly among azole-resistant species such as *Candida glabrata.* As illustrated in the figure below, SCY-078 retained *in vitro* activity against a majority of echinocandin-resistant *Candida glabrata* strains tested. Similar results were observed for echinocandin-resistant strains of other *Candida* species. Thus, SCY-078 may offer a therapeutic option against multi-drug resistant strains such as those that have emerged in *Candida glabrata.*



Nonclinical toxicology studies determined safety parameters to monitor in SCY-078 in clinical studies

The preclinical safety of SCY-078 has been evaluated in nine exploratory and two GLP, or Good Laboratory Practice, studies in rats, dogs, rabbits, and nonhuman primates. The longest duration of oral dosing was 28 days.

In these studies, at the highest tested doses, at exposures seven fold the targeted efficacious exposure, very slight to moderate toxicities were observed in two animal species. The two major organs impacted were the stomach (degeneration of the stomach lining) and the liver (single cell necrosis). The degeneration of the stomach lining was reversible after cessation of dosing. Degeneration of the stomach lining observed in preclinical toxicology studies was not seen in healthy subjects in the Phase 1 multiple dose study where individuals who received 800mg SCY-078 daily for 28 days had pre- and post-treatment endoscopy with gastric biopsy. In preliminary developmental and reproductive toxicity studies, SCY-078 did not cause any developmental toxicity in two animal species up to the maximum tolerated dose. In safety pharmacology studies, there were no clinically significant effects of SCY-078 on markers of cardiovascular, respiratory or central nervous system function.

Preclinical pharmacokinetic and drug metabolism properties of SCY-078 support effective oral administration and limited drug-drug interactions

SCY-078 has been evaluated broadly in preclinical pharmacokinetic and drug metabolism studies at exposure levels that were higher than those expected to be required to effectively treat infections in humans. SCY-078 was orally bioavailable in all four animal species studied.

Many patients with, or at risk of, invasive fungal infections are taking other medications, making it important to consider drug-drug interactions. The leading azoles have significant effects on the metabolism of many medications, which can lead to over-dosing or toxicity from co-administration of drugs. In contrast to most azoles, SCY-078 does not strongly inhibit drug metabolizing enzymes, and thus we anticipate that SCY-078 will have fewer drug-drug interactions.

In vivo animal studies predict that SCY-078 can be effective in treating invasive fungal infections

Mouse models of *Candida* and *Aspergillus* infections have been predictive of clinical efficacy for all approved glucan synthesis inhibitors. SCY-078 was evaluated in multiple studies in *Candida albicans*-infected mice. In these studies, SCY-078 treated animals had no measurable *Candida* in organs tested following doses which resulted in drug levels in the blood similar to those that have been safely achieved in humans. Comparable results were observed in mice infected with other *Candida* species, including *Candida glabrata.*

The *in vivo* efficacy of SCY-078 was also evaluated against *Aspergillus fumigatus* in multiple studies. When infected with *Aspergillus,* mice with partially deficient immune defenses develop aggressive infections that generally result in death. However, SCY-078-treated mice exhibited dose-dependent increases in survival rates up to 90%, as measured in the first 21 days after infection.

In summary, SCY-078 demonstrated potent *in vivo* anti-fungal activity in all mouse models of *Candida* and *Aspergillus* infection studied, supporting our expectation of clinical efficacy for SCY-078.

Clinical Experience with SCY-078

To date, seven Phase 1 safety and pharmacokinetic studies have been completed using SCY-078. Four of the seven studies evaluated a single oral dose while three evaluated multiple oral doses of SCY-078.

SCY-078 consistently showed sufficient safety and tolerability in Phase 1 studies to support progression into Phase 2 studies

Over 100 healthy subjects have received at least one dose of SCY-078 in seven Phase 1 studies. SCY-078 was generally well tolerated at initial oral doses of up to 1800mg in one day and doses up to 800mg per day for 28 consecutive days. The majority of reported adverse events have been generally transient and primarily mild to moderate in intensity.

The preliminary safety and PK data from the completed Phase 1 studies are summarized in the following table:

Design/Objective	Clinical Endpoints	Subject Population	Dosing Regimen	Results
Phase 1, randomized, double-blind, placebo-controlled, single ascending-dose, safety, tolerability, and PK study	Safety and tolerability by physical examination, vital signs, ECGs and laboratory safety evaluations (hematology, chemistry, urinalysis), gastrin levels; PK data in fasted state and after high fat meal	16 healthy males (18–45 years)	Panel A: 8 subjects: single doses 10, 40, 150, 600, and 1600mg SCY-078 (6 active / 2 placebo for each dose) Panel B: 8 subjects: single doses 20, 80, 300, and 800mg SCY-078 (6 active / 2 placebo for each dose)	Safety: SCY-078 up to 1600mg was generally safe and well tolerated; no serious adverse events (SAEs) reported. Statistical analysis of PK parameters [AUC ("area under the curve", a measure of cumulative drug exposure over a defined post-dose time interval), T_{max} (time of maximum circulating drug concentration) and C_{max} (maximum circulating drug exposure)] indicated that: 1) Dose proportionality was observed for doses up to 1600 mg 2) Dosing SCY-078 drug-filled capsules with a high fat meal increased drug exposure levels by ~20% compared to levels observed in fasted subjects, which was within intersubject variability
Phase 1, double-blind randomized, single dose study to evaluate the safety, tolerability, and PK in elderly subjects	Safety and tolerability by physical examination, vital signs, ECGs and laboratory safety evaluations (hematology, chemistry, urinalysis); PK data	17 healthy males and females (65–85 years)	Panel A: 500 mg SCY-078/Placebo Panel B: Placebo/500 mg SCY-078 (6 active / 2 placebo for each panel)	Safety: SCY-078 generally well tolerated. One non-drug - related SAE of metastatic carcinoid tumor was reported. The most common adverse events (AEs) were gastrointestinal disorders and nervous system disorders. Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicated that exposure levels were ~30% higher in elderly patients compared to young males.

Design/Objective	Clinical Endpoints	Subject Population	Dosing Regimen	Results
Phase 1, Open label biocomparison study of two formulations of SCY-078 and a pantoprazole interaction study with SCY-078 in healthy subjects	Safety, tolerability and PK of fit-for-purpose (FFP) drug filled capsules compared to FFP compressed tablets; impact of multiple doses of a proton pump inhibitor on single doses of SCY-078; impact of high fat meal on FFP compressed tablets	16 healthy males (18–45 years)	Periods 1 and 2: Single doses of 500 mg SCY-078 (as five 100mg FFP dry filled capsules or two 250mg FFP compressed tablets) Period 3: Pantoprazole 40mg X 5 days and 500 mg SCY-078 (two 250mg FFP compressed tablets) Period 4: 500 mg SCY-078 (two 250mg FFP compressed tablets) administered after a high fat meal	Safety: SCY-078 generally well tolerated. One SAE of elevated liver enzymes that led to discontinuation was reported. The most common AEs were gastrointestinal disorders. Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicated that: 1) Exposure levels in patients who received compressed tablets were ~20% higher than in those who received drug filled capsules 2) Exposure levels ofSCY-078 in patients were approximately 25% lower when administered with the proton pump inhibitor pantoprazole compared to SCY-078 administered alone 3) Dosing SCY-078 tablets with a high fat meal increased drug exposure levels by ~50%–60% compared to levels observed in fasted subjects
Phase 1, randomized, double-blind, placebo-controlled, multiple ascending-dose safety, tolerability and PK study	Safety and tolerability by physical examination, vital signs, ECGs and laboratory safety evaluations (hematology, chemistry, urinalysis), gastrin levels and gastric histology; Plasma PK data and concentrations of intact drug in urine after multiple doses of SCY-078	32 healthy males (18–45 years)	300, 600, and 800 mg SCY-078 or matching placebo once daily for 10 days, or 800 mg SCY-078 or matching placebo once daily for 28 days. (6 active /2 placebo in each panel)	Safety: SCY-078 was generally safe and well tolerated. Most common AEs were headache, lack of energy, dizziness, and gastrointestinal disorders. Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicated that: 1) The target drug exposure level (AUC of 17μM.hr) was approached after 10 days of dosing at 600mg per day 2) Two weeks were needed to reach steady state concentrations in many subjects 3) Exposure levels were ~2.3 fold (C_{max}) to 3.3 fold (AUC) higher after 26 days of dosing compared to the first day Insignificant concentrations ofSCY-078 were found in urine.

Design/Objective	Clinical Endpoints	Subject Population	Dosing Regimen	Results
Phase 1, randomized, partially-blind, placebo-controlled study of multiple doses of ketoconazole on single dose PK of SCY-078	Safety and tolerability ofSCY-078 Single dose PK profile ofSCY-078 after multiple doses of ketoconazole	12 healthy males (18–45 years)	Period 1: 100 mg SCY-078 or matching placebo Period 2: Ketoconazole 400 mg once daily for 15 days starting on Day -1 with a single dose of 100 mg SCY-078 (or placebo) coadministered on Day 1. 12 Subjects (10 active / 2 placebo)	Safety: SCY-078 was generally well tolerated when dosed alone or with ketoconazole. The most common AEs were headache and increased ALT/AST. Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicated that in the presence of ketoconzaole 1) Drug exposure as measured by AUC was ~5.7 fold higher 2) C_{max} increased 2.5 fold
Phase 1, randomized, double-blind, placebo controlled multiple dose study to assess the safety, tolerability, and PK of a loading dose of SCY-078	Safety and tolerability ofSCY-078; PK profile of SCY-078 after a loading dose on day 1	8 healthy males (18–45 years)	1800 mg SCY-078 (or placebo) administered as 600 mg TID (three times a day) on Day 1, followed by 500 mg SCY-078 (or placebo) QD (once daily) on Days 2-7. 8 Subjects (6 active / 2 placebo)	Safety: SCY-078 was generally well tolerated. No SAEs or discontinuations. The most common AE was diarrhea; 1 subject had elevated bilirubin. Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicated that the loading dose on day 1 achieved a target drug exposure (AUC of ~20.8μM.hr). Drug exposures observed under the QD maintenance dosing regimen were ~20.8μM.hr on Day 3 and ~16μM.hr on Day 7.
Phase 1, open-label, fixed-sequence, multiple-dose study investigating the effect of diltiazem on the PK and safety of SCY-078 in healthy subjects	Safety and tolerability ofSCY-078; PK profile of SCY-078 after multiple doses of diltiazem	16 males (20-45 years)	Treatment A (Period 1), 200 mg SCY-078 q6h (total dose of 600 mg) on Day 1 and 100 mg SCY-078 QD Days 2 to 14. Treatment B (Period 2), 240 mg of diltiazem QD on Days 1 to 14, 200 mg of SCY-078 q6h (total dose of 600 mg) on Day 1, and 100 mg SCY-078 QD Days 2 to 14.	Safety: SCY-078 generally well tolerated. The most common AE was headache. No SAEs; 1 discontinuation due to first degree heart block following administration of diltiazem only Statistical analysis of PK parameters (AUC, T_{max} and C_{max}) indicates that in the presence of diltiazem: 1) Drug exposures as measured by AUC were ~2.5 fold higher 2) C_{max} was increased 2 fold

The most frequently reported adverse events have been gastrointestinal. In multiple dose studies, these included diarrhea, abdominal pain or discomfort, and vomiting. These gastrointestinal side effects were not considered serious in nature and only one subject discontinued dosing with SCY-078 when he withdrew consent due to gastrointestinal adverse events. In one study six subjects who received 800mg SCY-078 daily for 28 days underwent pre-treatment and end-of-treatment gastric endoscopy with biopsy, with no evidence of stomach lining degeneration or other significant clinical finding observed. None of the 66 subjects receiving SCY-078 in the four Phase 1 studies in which serum gastrin levels were monitored exhibited levels outside the normal range.

One subject experienced significant liver function test increases after first dose and discontinued SCY-078 due to this serious adverse event, deemed by the investigator to be study drug related. However, markers of liver injury (ALT and AST) were already increasing prior to the subject receiving SCY-078 and pre-treatment levels of ALT had increased above the upper limit of normal. Other markers of liver injury

remained within the normal range. ALT/AST levels decreased over the 48-hour period post-dose and this subject's liver function tests returned to the normal range without intervention. This 27 year old man had no significant medical history and received 500mg of SCY-078. Evaluation revealed no clear etiology for the transaminase elevations. One other serious adverse event was reported: the subject was diagnosed with metastatic carcinoid tumor after one dose of SCY-078 and this was deemed not related to the study drug.

SCY-078 exhibits favorable pharmacokinetic properties in humans

As a result of seven Phase 1 studies of SCY-078, we believe that SCY-078 can be sufficiently well absorbed as an oral medication to achieve the drug levels necessary to be effective in treating patients . The half life of ~20 hours supports once daily dosing and a loading dose on day 1 should result in therapeutic concentrations being achieved on the first day of treatment. Drug exposure increased proportionally and in a predictable manner with doses up to the maximum dose tested (1600mg in single dose studies). There were no major differences in the pharmacokinetics or safety of SCY-078 in healthy elderly subjects relative to younger adults, an important consideration since many patients experiencing invasive fungal infections are elderly.

Results from clinical studies conducted to determine the potential for clinical drug-drug interactions confirmed that SCY-078 can likely be used, with suitable dose adjustments, in combination with moderate inhibitors of the most common drug metabolizing enzyme (CYP3A). The drug interaction studies were performed with ketoconazole (strong inhibitor of CYP3A4) and diltiazem (moderate inhibitor of CYP3A4). Results of these studies indicate that a dose reduction of SCY-078 will be required with moderate CYP3A inhibitors and co-administration with strong inhibitors will not be recommended.

A drug interaction study was also conducted with pantoprazole, a proton pump inhibitor. In this study, SCY-078 concentrations with pantoprazole were ~25% lower than SCY-078 alone; the results met the hypothesis that exposures of SCY-078 with or without a proton pump inhibitor were similar.

A biocomparison study was conducted between drug filled capsules that were used in early Phase 1 studies and compressed tablets which will be used in future studies. Compressed tablets had concentrations that were ~20% higher than capsules. The effect of a high fat meal on SCY-078 when dosed as compressed tablets indicated exposures that were ~50 to 60% higher than when administered in a fasted state.

Our clinical data, together with mouse efficacy data, support therapeutic activity for SCY-078

Correlations of circulating drug levels to drug efficacy in preclinical mouse infection models can be translated into human patients and are an established tool in the development of anti-fungal drugs. The efficacious drug levels determined for SCY-078 in the mouse models indicate that the levels achieved in the human Phase 1 clinical trials are predictive of efficacy in infected patients. Specifically, in human subjects who received SCY-078 as a loading oral dose of 600mg three times per day (1800mg/day) followed by a maintenance daily dose of 500mg, the circulating levels of SCY-078 exceeded those that cured the infection in the mouse models of invasive *Candida* infections. These results indicate that SCY-078 can be administered to patients with invasive *Candida* infections at doses that are predicted to be effective and generally well tolerated.

Future Clinical Development Plans for SCY-078

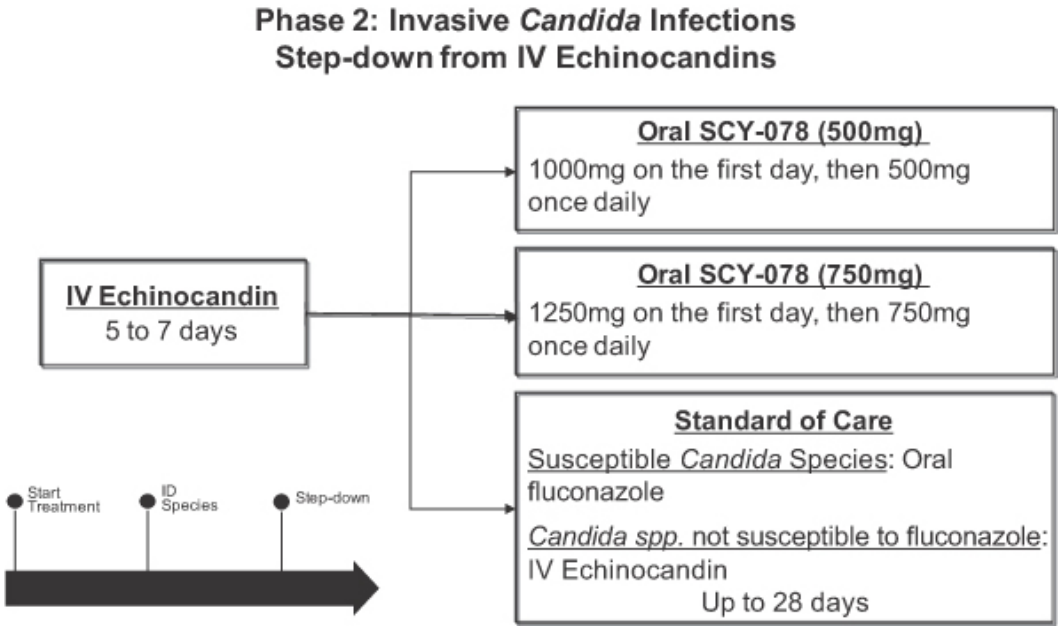
Based on results from studies to date, we believe that SCY-078 has the potential to offer a new therapeutic option to treat invasive fungal infections. The goal of the clinical development plan for SCY-078 is to provide sufficient safety and efficacy data for submission of an NDA.

We anticipate that our initial filing would seek an indication for oral and IV formulations of SCY-078 for the treatment of invasive *Candida* infections. We expect additional Phase 3 and Phase 4 studies to expand the list of indications to include treatment of invasive *Aspergillus* infections, and prevention of invasive fungal infections.

SCY-078 Phase 2 studies

In consultation with regulatory agencies, we plan to pursue the following Phase 2 study to evaluate the safety and efficacy of SCY-078 in subjects with invasive fungal infections caused by *Candida.*

SCY-078 as an Oral Step-Down in the Treatment of Invasive Candida Infections: SCY-078 will be used as an oral step-down agent following initial therapy with a currently available IV echinocandin in patients with invasive *Candida* infections. The open label study will recruit approximately 120 patients. This will be a three arm study comparing step-down oral therapy with two doses of SCY-078 to current standard of care based on current Infectious Disease Society of America Practice Guidelines. All subjects will receive therapy with an IV echinocandin for five to seven days. Based on clinical and microbiological response, patients will be switched to randomized therapy. Patients in arm one will switch to oral SCY-078 dosed at 1000mg on day one followed by once daily dosing of SCY-078 500mg. Patients in arm two will switch to oral SCY-078 dosed at 1250mg on day one followed by once daily dosing of SCY-078 750mg. Patients in arm three will receive standard of care. Current standard of care calls for a switch to oral therapy with fluconazole 400mg/day after loading dose of 800mg (12mg/kg) on day 1, unless the patient is infected with a *Candida* strain that is not susceptible to fluconazole in which case the patient will be maintained on IV echinocandin, for the remainder of therapy. Treatment will be for at least 14 days after the first negative culture for *Candida.*



SCY-078 (IV and Oral) for the Treatment of Invasive Candida Infections: We are developing an IV formulation of SCY-078 and expect it will be available for clinical studies in the first half of 2015. The next

study to evaluate the efficacy and safety of SCY-078 in patients will include both the IV and oral formulations. The focus will be on infections due to *C. glabrata* and *C. krusei* and will include patients who have infections that are refractory to or intolerant of standard therapy (azoles and echinocandins). This study will evaluate SCY-078 in infections where there is unmet need and has the potential to show differentiation from available therapies for invasive candidiasis. If the IV formulation is granted QIDP designation, it is possible that compelling data in this study could result in streamlined development to an initial NDA for a restricted indication.

SCY-078 Phase 3 study

As noted above, we are planning to seek an initial indication for SCY-078 as an oral/IV drug for the treatment of invasive *Candida* infections. We plan to conduct a Phase 3 study in patients with invasive *Candida* infections including those with previous experience with azoles and/or echinocandins.

Acquisition of SCY-078 from Merck

In May 2013 Merck transferred to us all development and commercialization rights for SCY-078 (also known as MK-3118). This decision was made following a review and prioritization of Merck's infectious disease portfolio. Under the terms of the agreement, we have received all human health rights to SCY-078, including all related technical documents, preclinical data, data from the seven Phase 1 trials conducted by Merck, and drug product and drug substance. Merck also transferred additional quantities of active pharmaceutical ingredient, which we believe will be sufficient to support development and manufacture of an IV formulation for clinical studies and provide material for additional toxicology studies. The agreement continues until expiration of all royalty obligations. The agreement may be terminated if either party is in material breach and fails to remedy the breach after receiving written notice. In 2014, Merck assigned the patents to us related to SCY-078 that it had exclusively licensed to us. Under the terms of the patent assignment, Merck no longer has responsibility to maintain the patents. Merck is eligible to receive milestones upon initiation of Phase 2 and 3 clinical studies, NDA filing and marketing approvals in each of the United States, major European markets and Japan that could total up to $19 million. In addition, Merck will receive tiered royalties based on worldwide sales of SCY-078. The aggregate royalties are in the single digit percentages of net sales, and we expect to pay royalties on net sales of SCY-078 to Merck for no more than ten years from first commercial launch, on a country-by-country basis.

Commercialization, Marketing and Sales of SCY-078

Given our stage of development, we have not yet established a commercial organization or distribution capabilities.

We expect that prescribing physicians for the treatment of invasive fungal infections will be located at major medical centers, where physicians specializing in critical care, infectious disease specialists, and physicians treating immune-compromised or immune-suppressed patients, such as oncologists and those performing solid organ transplants and stem cell transplants, are likely to be found.

We intend to form our own focused hospital-based sales and marketing force to target physicians in the United States. Outside of the United States, subject to obtaining necessary marketing approvals, we likely will seek to commercialize SCY-078 through distribution or other collaboration arrangements. We have already entered into an agreement pursuant to which we outlicensed to R-Pharm rights to develop and commercialize SCY-078 in the field of human health in Russia and certain smaller non-core markets.

Competition for SCY-078

Our competitors include large pharmaceutical and biotechnology companies, and specialty pharmaceutical and generic drug companies. The three leading branded anti-fungal drugs represent one from each main class; V-fend® (voriconazole), an azole marketed by Pfizer ($754 million in 2012); Cancidas® (caspofungin), an echinocandin marketed by Merck ($619 million in 2012); and AmBisome® (liposomal amphotericerin B), a polyene sold by Gilead in Europe, by Astellas in the United States and by Dainippon-Sumitomo in Japan ($450 million in 2012). Pfizer also markets the echinocandin Eraxis® (anidulafungin), Merck also markets the azole Noxafil® (posaconazole), and Astellas also markets the echinocandin Mycamine® (micafungin). Pfizer, Merck and Astellas are all large pharmaceutical companies with significant experience and financial resources in the marketing and sale of specialty pharmaceuticals. Various other producers market and sell generic oral voriconazole, fluconazole and itraconazole. Further, we expect that product candidates currently in late stage development, or that could enter late stage clinical development in the near future, may represent significant competition, if approved. These include the azole isavuconazole (under development by Basilea, with marketing rights to Astellas), VT-1161 being developed by Viamet, and MGCD290 being developed by Methylgene. These companies may have significantly greater resources than we have.

The key competitive factors affecting the success of SCY-078, if approved, are likely to be its efficacy, safety, convenience, price, use in out-patient settings, the level of generic competition and the availability of reimbursement from government and other third-party payors. If approved, we believe that SCY-078's features, including its oral dosing and efficacy against resistant strains, will differentiate it from competing products. We believe that SCY-078 will compete favorably against competing products in efficacy, safety, convenience and use in out-patient settings, allowing us to price SCY-078 at a premium to generics and other competing products.

Our commercial opportunity could be reduced or eliminated if our competitors develop and commercialize products that are safer, more effective, have fewer or less severe side effects, are more convenient or are less expensive than any products that we may develop. Our competitors also may obtain FDA or other regulatory approval for their products more rapidly than we may obtain approval for ours. In addition, our ability to compete may be affected because in many cases insurers or other third-party payors seek to encourage the use of generic products. In the azole class, fluconazole, itraconazole, and oral voriconazole are generic. There is currently no generic echinocandin, but caspofungin, the largest selling echinocandin, is expected to become available on a generic basis over the coming years and perhaps prior to the launch of SCY-078. If approved, we believe SCY-078 will be capable of delivering value supportive of premium pricing over competitive generic products.

Manufacturing and Supply of SCY-078

We have an in-house facility capable of supplying kilogram quantities of drug substance, and we can develop analytical procedures to support the preparation of clinical batches. However, we do not own or operate and do not expect to own or operate facilities for manufacturing, storage and distribution, or testing of drug substance or drug product for late stage clinical trials or commercial manufacture. In the past, we have relied on third-party contract manufacturers for large scale synthesis of our clinical compounds and manufacture of drug product. We expect to continue to rely on these manufacturers to supply SCY-078 for planned clinical trials and commercial sale.

SCY-078 is a semi-synthetic natural product. Thus, the manufacturing process for SCY-078 involves fermentation and synthetic chemical steps. The process begins with fermentation to produce the natural product enfumafungin, which has been conducted by a third-party vendor on a scale sufficient to provide greater than 60kg of this starting material. Enfumafungin is then converted to SCY-078 in a series of

chemical steps that proceed efficiently with an average yield of almost 90%. Approximately 20kg of drug substance has been manufactured. The overall process does not require any specialized equipment and uses readily sourced intermediates. At commercial launch, we expect cost of goods for SCY-078 to be similar to that of other small molecule drugs. We are negotiating agreements with large scale suppliers to produce both drug product and drug substance for planned clinical trials. In the future, we plan to validate the process with selected vendors and secondary suppliers to establish a secure supply chain.

We expect the tablets currently on hand to be sufficient to complete our Phase 2 trials. They have shown good stability for one and a half years at four degrees centigrade storage condition. An IV formulation is under development, and we expect it to be completed by the second half of 2014.

A drug manufacturing program subject to extensive governmental regulations requires robust quality assurance systems and experienced personnel with the relevant technical and regulatory expertise as well as strong project management skills. We have a team that we believe is capable of managing these activities, and it has successfully supported our clinical drug for HCV, SCY-635, as well as numerous such programs for clients in our contract business. Our internal facilities have been FDA audited on two separate occasions with no notice of non-compliance.

Our Cyclophilin Inhibitor Platform

We have developed a proprietary platform for cyclophilin inhibitors. Cyclophilins are a family of enzymes found in all mammalian cells which play a key role in a number of important cellular functions. Inhibiting cyclophilins show promise as treatments for a range of diseases. To date, our cyclophilin inhibitor platform has produced two clinical stage compounds, described below.

SCY-635 is a novel, orally available cyclophilin inhibitor that has demonstrated clinical activity against Hepatitis C Virus (HCV) as a single agent and when dosed in combination with pegylated interferon and ribavirin. In these clinical studies, SCY-635 modified patients' immune responses to HCV. These observations implicate cyclophilins in viral evasion of immune responses. We are further exploring this mechanism in other viruses such as hepatitis B virus (HBV). HCV and HBV are two of the most widespread global infections, with more than 170 million and 240 million chronic carriers respectively, and are leading causes of liver cirrhosis, liver cancer and liver transplantation.

SCY-641 is a novel cyclophilin inhibitor with activity similar to cyclosporine, the active ingredient in Restasis® and Optimmune®, drugs currently approved for dry eye disease in humans and dogs, respectively. The global human dry eye syndrome therapeutics market was valued at $1.8 billion in 2010 and the market value is expected to grow to $2.8 billion in 2017. Sales of Restasis® in 2012 were $792 million. SCY-641 has significantly improved water solubility compared to cyclosporine which we believe will lead to improved tolerability and ease of use for treatment of dry eye disease, *i.e.*, does not sting when applied and with anticipated required dosing of no more than twice daily. In August 2012, we licensed worldwide animal health rights for SCY-641 to Dechra Ltd., while retaining rights for human health indications. We intend to identify a development and commercial partner for the human health uses of SCY-641.

We have a library of more than 1,000 other cyclophilin inhibitor compounds that could be effective against a wide variety of human and animal diseases. We plan to enter into corporate partnerships to use our cyclophilin inhibitor platform to discover and develop new drug candidates for unmet needs in human and animal health.

Our Contract Research and Development Services

As a spinout from Aventis in 2000, we began as a chemistry and animal health services company, providing contract research services to third parties. Through this business, we built significant expertise in

parasitic infections and drug discovery. Since our formation, we have expanded our animal health capabilities and have discovered a number of proprietary compounds.

The market for parasiticides was estimated to be more than $5.5 billion globally in 2011. We have more than 30 unique, broad spectrum screens, and proprietary protocols and algorithms, deemed to be trade secrets. Our antiparasitic drug discovery platform has enabled us to discover drugs for our partners and has traditionally produced substantially all of our revenues.

In partnership with Merial, the animal health division of Sanofi, we have discovered two new drug candidates to treat parasitic infections. In addition, in a collaboration sponsored by the Bill & Melinda Gates Foundation, we discovered a drug, SCY-7158 that is now in Phase 1 studies for the treatment of "sleeping sickness," a fatal disease transmitted to humans by biting flies in Sub-Saharan Africa. We have also leveraged our expertise and our cyclophilin inhibitor platform to discover SCY-641, a compound licensed to Dechra Ltd. in 2012 for clinical development for the treatment of dog dry eye.

We intend to continue to grow our contract research and development services and to leverage our in-house expertise for the discovery of additional proprietary compounds.

Collaborations and Licensing Agreements

We have a number of licensing and collaboration agreements with partners in human and animal health, including the following:

Merck

We have a termination and license agreement with Merck, as described under "Acquisition of SCY-078 from Merck" above.

Merial

Merial, a wholly owned subsidiary of Sanofi, is one of the largest animal health businesses in the world and has been our major partner in animal health since 2003. We signed a new agreement with Merial effective January 2012 under which we provide contract research and development services in the field of animal health. In contrast to our earlier agreement with Merial, this is a non-exclusive arrangement in the animal health field and is on a fee-for-service basis, meaning we will not receive any contingent payments based on the progression to development and commercialization of any compounds arising from this agreement. The term of this agreement is three years ending on December 31, 2014. Either party may terminate the agreement in the event of breach of material obligation by the other party if such breach is not remedied after written notice from the non-breaching party. Either party may terminate this agreement if the other party makes an assignment for the benefit of creditors, becomes subject to bankruptcy proceedings, subject to appointment of a receiver, or admits inability to pay its debts. If Merial believes in good faith that we acted in any way that may subject Merial to liability under anti-corruption laws, Merial shall have the unilateral right to terminate this agreement. At termination or expiration of the agreement for any reason, upon Merial's request, we must transfer all agreement intellectual property to Merial. In 2013, we received $7.4 million from Merial under this agreement. Merial accounted for 43% of our revenues in the year ended December 31, 2013. No other customer accounted for 10% or more of our revenues during these time periods.

R-Pharm

In August 2013 we entered into an agreement with R-Pharm, a leading supplier of hospital drugs in Russia, granting them exclusive rights to develop and commercialize SCY-078 in the field of human health in Russia, Turkey, and certain Balkan, Central Asian, Middle Eastern and Northern African countries. We

retained the right to commercialize SCY-078 in the Americas, Europe, and Asia. We received an upfront payment of $1.5 million and are entitled to receive up to $18 million in payments for development milestones and sales-based payments. We are also entitled to single digit percent royalty payments for products that do not fall under the patents and a royalty percentage in the teens for products that do fall under the patents. This agreement expires upon R-Pharm's last royalty payment, which is the later of twelve years from the first registration of the product in the countries where R-Pharm's license rights exist under this agreement, or the last to expire of the patents in such countries. Either party may terminate this agreement if the other party breaches, and fails to remedy the breach after receiving notice from the non-breaching party. We have the ability to terminate this agreement if we determine that R-Pharm fails to make reasonable progress in the development and commercialization of SCY-078. If we give R-Pharm notice of failure to make reasonable progress, R-Pharm will have the opportunity to correct the deficiencies.

Dechra

In August 2012 we signed an agreement with Dechra Ltd., a UK listed international veterinary pharmaceutical business, granting Dechra rights to SCY-641 for use in the field of animal health, including the treatment of canine keratoconjunctivitis sicca, or dry eye in dogs. Dechra was granted worldwide animal health rights and is responsible for the remaining clinical development and commercialization of SCY-641 in the animal health field. We retained the human health rights to the compound, including the right to use preclinical data generated by Dechra to support further human clinical development. Under the agreement, Dechra must use reasonable efforts to commercialize SCY-641. We received an upfront fee and are eligible to receive potential milestone payments up to £0.4 million as well as a royalty percentage in the low teens to the low twenties on the total net sales of product sales. Dechra's obligations to pay royalties shall continue, on a product-by-product and country by country basis, until the later to expire of (i) all valid claims in such country and (ii) twelve years after the first commercial sale of such product in such country. This agreement expires when Dechra has completed all royalty payment obligations. If either party is in breach, and the breach continues after notice given by the non-breaching party, the non-breaching party may terminate the agreement. If we terminate the agreement because Dechra is in breach, Dechra must return all information required to be returned under the license agreement, free of charge, to us. If Dechra reasonably believes it is impossible to carry out further development or marketing of animal health products, Dechra may terminate this agreement at anytime by giving us at least six months prior written notice. In November 2013, we amended this license agreement with Dechra in which we agreed to perform certain services for Dechra.

Aventis

In May 2005, we entered into a license agreement with Aventis Pharma S.A., a leading global healthcare company, pursuant to which Aventis granted us a world-wide license (with a right to sub-license) to certain of Aventis's know-how, compounds and patents concerning cyclosporine derivatives exclusively in the field of treatment and prevention of HIV/AIDS and non-exclusively in all fields outside the treatment and prevention of HIV/AIDS. Under the terms of the agreement, we are obligated to maintain reasonable efforts to develop and commercialize a marketable product containing the subject compound and Aventis is responsible for maintaining and protecting the underlying patent rights. The agreement expires on a country by country basis at the end of the underlying intellectual property claims, and the expiration of the U.S. patent is December 23, 2017. We may terminate the agreement at any time, without cause, by giving Aventis 90 days notice. Aventis may terminate this agreement only if we commit a serious breach and fail to remedy the breach within 90 days of notice. Upon expiration of the agreement, we will have a fully paid-up, royalty free, world-wide, exclusive license in the field of treatment and prevention of HIV/AIDS and a non-exclusive license outside this field. We are obligated to pay Aventis up to an aggregate of $1.35 million in payments upon the achievement of certain milestones. In addition, on an annual basis, we will be

obligated to pay a single digit percentage royalty on direct sales by us of all products developed under the agreement and we will pay a low single digit percentage of royalty on any sales by a sub-licensee of all products developed under the agreement.

C-Chem

In June 2005, we entered into an assignment agreement with C-Chem AG pursuant to which C-Chem assigned certain inventions, patents and know-how concerning cyclosporine derivatives for us to research, develop, manufacture and commercialize a product. Under the agreement, C-Chem has assigned to us all rights, title and interest in the subject patents as well as assigned all rights, title and interest to certain know-how with exclusive right to use and disclose the know-how for any purpose. Under the agreement, we must exercise reasonable commercial efforts to develop and commercialize a product using the licensed intellectual property and we are responsible for maintaining the licensed patents until the end of their lifetime. The U.S. patent on SCY-641 expires on June 10, 2019, and this agreement expires when no valid claim remains with respect to the underlying patents. C-Chem may terminate the agreement if an order by a court is made appointing a custodian, receiver, liquidator, assignee or trustee for us or if a court orders the winding up or liquidation of our affairs. We can terminate the agreement at any time by thirty (30) days written notice to C-Chem. If either party breaches any term or condition of the agreement, then the non-breaching party can terminate the agreement if notice is given to the breaching party and the breach is not remedied in sixty (60) days. Upon expiration of the agreement, we will have a fully paid-up, royalty free, world-wide exclusive license, and the right to grant sub-licenses, under the know-how and ancillary rights to commercialize and supply products. If the agreement is terminated by either party, we are obligated to reassign the patents, the know-how and the ancillary rights to C-Chem, return any intellectual property to C-Chem, and cease all activities which would require a license under the subject patents. We paid C-Chem an initial payment of $0.3 million and a one-time $0.2 million milestone payment, and are obligated to pay C-Chem up to $0.95 million in payments upon the achievement of certain milestones. In addition, we will be obligated to pay a low single digit percentage royalty on direct sales by us of all products developed under the agreement and we will pay less than a 1% royalty on any sales by a licensee of all products developed under the agreement.

Elanco Animal Health

In December, 2013, we entered into a license, development, and commercialization agreement with Elanco Animal Health, the animal health division of Eli Lilly Company, an American global pharmaceutical company, pursuant to which we will perform research services and grant to Elanco a world-wide license (with a right to sub-license) to certain of our know-how, compounds, and patents exclusively for applications and uses of parasiticides for animals (companion or food), animal products, animal feed, human food, or the food chain. Under the terms of the agreement, both parties must use reasonable commercial efforts to collaboratively research and commercialize products. After the completion of the first half of the research phase, either party may terminate the research component of the agreement upon advance notice if the research is not progressing to the satisfaction of either party. We anticipate the research phase will expire on December 23, 2017. The term of the agreement will survive until the expiration of the last remaining royalty term with respect to each product, which shall occur on the later of the expiration of the last patent underlying such product or nine years after the first commercial sale of such product, provided, however, that Elanco may terminate the agreement upon advance written notice to us any time after termination or expiration of the research services term. In the event Elanco terminates the agreement, Elanco will grant us a fully paid-up, royalty free, world-wide non-exclusive license in the field with respect to any compound or product developed for Elanco under the agreement. Either party may terminate the agreement in an event of default of the other party, which includes a material breach of the agreement, failure on the part of Elanco to make any payments due, or the bankruptcy, insolvency or

dissolution of either party. Elanco will pay us $2.75 million for the first two years and $3.0 million for the second two years for performing research services during the research services term. In addition, upon the achievement of certain milestones with respect to each compound developed under the agreement, we may be entitled to receive additional payments if a compound that is developed under this agreement reaches on applicable stage. We will also be entitled to receive quarterly royalty payments in the low to mid single digit on the net sales of each product developed and commercialized under the agreement.

Government Regulation and Product Approval

Government regulation

Government authorities in the United States, at the federal, state and local level, and in other countries extensively regulate, among other things, the research, development, testing, manufacture, including any manufacturing changes, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, import and export of pharmaceutical products such as those we are developing. The processes for obtaining regulatory approvals in the United States and in foreign countries, along with subsequent compliance with applicable statutes and regulations, require the expenditure of substantial time and financial resources.

U.S. drug approval process

In the United States, the FDA regulates drugs under the Federal Food, Drug, and Cosmetic Act, or FDCA, and implementing regulations. The process of obtaining regulatory approvals and the subsequent compliance with appropriate federal, state, local and foreign statutes and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable U.S. requirements at any time during the product development process, approval process or after approval, may subject an applicant to a variety of administrative or judicial sanctions, such as the FDA's refusal to approve pending NDAs, withdrawal of an approval, imposition of a clinical hold, issuance of warning letters, product recall requests, product seizures, total or partial suspension of production or distribution, injunctions, refusals of government contracts, restitution, disgorgement or civil or criminal penalties.

The process required by the FDA before a drug may be marketed in the United States generally involves the following:

- completion of preclinical laboratory tests, animal studies and formulation studies in compliance with the FDA's good laboratory practice, or GLP, regulations;
- submission to the FDA of an investigational new drug application, or IND, which must become effective before human clinical trials may begin;
- approval by an independent institutional review board, or IRB, at each clinical site before each trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with good clinical practices, or GCP, to establish the safety and efficacy of the proposed drug for each indication;
- submission to the FDA of an NDA;
- satisfactory completion of an FDA advisory committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities at which the product is produced to assess compliance with cGMP, and to assure that the facilities, methods and controls are adequate to preserve the drug's identity, strength, quality and purity; and
- FDA review and approval of the NDA.

Preclinical studies

Preclinical studies include laboratory evaluation of product chemistry, toxicity and formulation, as well as animal studies to assess potential safety and efficacy. An IND sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data and any available clinical data or literature, among other things, to the FDA as part of an IND. Some preclinical testing may continue even after the IND is submitted. An IND automatically becomes effective 30 days after receipt by the FDA, unless before that time the FDA raises concerns or questions related to one or more proposed clinical trials and places the clinical trial on a clinical hold. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. As a result, submission of an IND may not result in the FDA allowing clinical trials to commence.

Clinical trials

Clinical trials involve the administration of the investigational new drug to human subjects under the supervision of qualified investigators in accordance with GCP requirements, which include the requirement that all research subjects provide their informed consent in writing for their participation in any clinical trial. Clinical trials are conducted under protocols detailing, among other things, the objectives of the study, the parameters to be used in monitoring safety, and the effectiveness criteria to be evaluated. A protocol for each clinical trial and any subsequent protocol amendments must be submitted to the FDA as part of the IND. In addition, an IRB at each institution participating in the clinical trial must review and approve the plan for any clinical trial before it commences at that institution. Information about certain clinical trials must be submitted within specific timeframes to the National Institutes of Health, or NIH, for public dissemination on their ClinicalTrials.gov website.

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

Phase 1: The drug is initially introduced into healthy human subjects or patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early indication of its effectiveness.

Phase 2: The drug is administered to a limited patient population with the target disease 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 and optimal dosage.

Phase 3: The drug is administered to an expanded patient population with the target disease, generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to statistically evaluate the efficacy and safety of the product for approval, to establish the overall risk-benefit profile of the product, and to provide adequate information for the labeling of the product.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and more frequently if serious adverse events occur. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, or at all. Furthermore, the FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk. Similarly, an IRB 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 requirements or if the drug has been associated with unexpected serious harm to patients.

In some cases, the FDA may condition approval of an NDA for a product candidate on the sponsor's agreement to conduct additional clinical trials to further assess the drug's safety and effectiveness after NDA approval. Such post-approval trials are typically referred to as Phase 4 studies.

In some circumstances, the FDA may also order a sponsor to conduct post-marketing clinical trials after approval of the product, if new safety information arises raising questions about the drug's risk-benefit profile. Those clinical trials are typically referred to as Post-Marketing Requirements, or PMRs.

Marketing approval

Assuming successful completion of the required clinical testing, the results of the preclinical and clinical studies, together with detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things, are submitted to the FDA as part of an NDA requesting approval to market the product for one or more indications. In most cases, the submission of an NDA is subject to a substantial application user fee. Under the Prescription Drug User Fee Act guidelines that are currently in effect, the FDA has a goal of twelve months from the date of the receipt of a standard non-priority NDA to review and act on the submission for a drug considered to be a new molecular entity, or eight months for a priority NDA for such drug.

In addition, under the Pediatric Research Equity Act of 2003, an NDA or supplement to an NDA must contain data that are adequate to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements.

The FDA also may require submission of a risk evaluation and mitigation strategy, or REMS, plan to mitigate any identified or suspected serious risks. The REMS could include medication guides, physician communication plans, assessment plans, and elements to assure safe use, such as restricted distribution methods, patient registries, or other risk minimization tools.

The FDA conducts a preliminary review of all NDAs within the first 60 days after submission, before accepting them for filing, to determine whether they are sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA for filing. In this event, the application must be resubmitted with the additional information. The resubmitted application is also subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA reviews an NDA to determine, among other things, whether the drug is safe and effective and the facility in which it is manufactured, processed, packaged or held meets standards designed to assure the product's continued safety, quality and purity. The FDA is required to refer an application for a novel drug to an advisory committee or explain why such referral was not made. An advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Before approving an NDA, the FDA typically will inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. Additionally, before approving an NDA, the FDA will typically inspect one or more clinical sites to assure compliance with GCP.

The testing and approval process requires substantial time, effort and financial resources, and each may take several years to complete. Data obtained from clinical activities are not always conclusive and may be susceptible to varying interpretations, which could delay, limit or prevent regulatory approval. The FDA may not grant approval on a timely basis, or at all.

If the FDA's evaluation of the NDA and inspection of the manufacturing facilities are favorable, the FDA may issue an approval letter, or, in some cases, a complete response letter. A complete response letter generally contains a statement of specific conditions that must be met to secure final approval of the NDA and may require additional clinical or preclinical testing for the FDA to reconsider the application. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If and when those conditions have been met to the FDA's satisfaction, the FDA will typically issue an approval letter. An approval letter authorizes commercial marketing of the drug with specific prescribing information for specific indications.

Even if the FDA approves a product, it may limit the approved indications for use for the product, require that contraindications, warnings or precautions be included in the product labeling, require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess a drug's safety after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution restrictions or other risk management mechanisms, which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs. After approval, some types of changes to the approved product, such as adding new indications, manufacturing changes, and additional labeling claims, are subject to further testing requirements and FDA review and approval.

GAIN Act

The FDA has various programs, including fast track designation and priority review, that are intended to expedite or simplify the process for the development and FDA review of drugs that meet certain qualifications. The purpose of these programs is to provide important new drugs to patients earlier than under standard FDA review procedures.

The GAIN Act is intended to encourage development of new antibacterial and anti-fungal drugs for the treatment of serious or life-threatening infections by providing certain benefits to sponsors, including extended exclusivity periods, fast track and priority review. To be eligible for these benefits a product in development must seek and be awarded designation as a QIDP.

To qualify as a QIDP according to the criteria established in the GAIN Act a product must be an antibacterial or anti-fungal drug for human use intended to treat serious or life-threatening infections, including, those:

(1) caused by an anti-fungal resistant pathogen, including novel or emerging infectious pathogens; or

(2) qualifying pathogens listed by the FDA in accordance with the GAIN Act.

In January 2014 the FDA designated the oral form of SCY-078 as a QIDP. We will submit an additional QIDP application for the IV form of SCY-078.

Post-approval requirements

Drugs manufactured or distributed pursuant to FDA approvals are subject to extensive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, advertising and promotion and reporting of adverse experiences with the product. After approval, most changes to the approved product, such as adding new indications or other labeling claims are subject to prior FDA review and approval. There also are continuing, annual user fee requirements for any marketed products and the establishments at which such products are manufactured, as well as new application fees for supplemental applications with clinical data.

The FDA may impose a number of post-approval requirements as a condition of approval of an NDA. For example, the FDA may require post-marketing testing, including Phase 4 clinical trials, and surveillance to further assess and monitor the product's safety and effectiveness after commercialization.

In addition, drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and state agencies, and are subject to periodic unannounced inspections by the FDA and these state agencies for compliance with cGMP requirements. Changes to the manufacturing process are strictly regulated and often require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting and documentation requirements upon the sponsor and any third-party manufacturers that the sponsor may decide to use. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance.

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or product recalls;
- warning letters or holds on post-approval clinical trials;
- refusal of the FDA to approve pending NDAs or supplements to approved NDAs, or suspension or revocation of product license approvals;
- product seizure or detention, or refusal to permit the import or export of products; or
- injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Drugs may be promoted only for the approved indications and in accordance with the provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act, or PDMA, which regulates the distribution of drugs and drug samples at the federal level, and sets minimum standards for the registration and regulation of drug distributors by the states. Both the PDMA and state laws limit the distribution of prescription pharmaceutical product samples and impose requirements to ensure accountability in distribution.

Exclusivity and approval of competing products

Hatch-Waxman exclusivity

Market and data exclusivity provisions under the FDCA can delay the submission or the approval of certain applications for competing products. The FDCA provides a five-year period of non-patent data exclusivity within the United States to the first applicant to gain approval of an NDA for a new chemical entity. A drug is a new chemical entity if the FDA has not previously approved any other new drug containing the same active moiety, which is the molecule or ion responsible for the action of the drug

substance. As an alternate path to FDA approval for modifications to drug products previously approved by the FDA, or new indications for use of previously approved drug products, an applicant may file an NDA under Section 505(b)(2) of the FDCA. Section 505(b)(2) permits the filing of an NDA where at least some of the information required for approval comes from studies not conducted by or for the applicant and for which the applicant has not obtained a right of reference. The FDCA permits the applicant to rely upon certain preclinical or clinical studies conducted for an approved product. The FDA typically requires companies to perform additional, sometimes extensive, clinical studies and analyses to support the change from the approved product. The FDA may then approve the new product candidate for all or some of the label indications for which the referenced product has been approved, as well as for any new indication sought by the Section 505(b)(2) applicant. During the exclusivity period for a new chemical entity, the FDA may not accept for review an abbreviated new drug application, or ANDA, or a 505(b)(2) NDA submitted by another company that references the previously approved drug. However, an ANDA or 505(b)(2) NDA may be submitted after four years if it contains a certification of patent invalidity or non-infringement. The FDCA also provides three years of marketing exclusivity for an NDA, 505(b)(2) NDA, or supplement to an existing NDA or 505(b)(2) NDA if new clinical investigations, other than bioavailability studies, that were conducted or sponsored by the applicant, are deemed by the FDA to be essential to the approval of the application, for example, for new indications, dosages, strengths or dosage forms of an existing drug. This three-year exclusivity covers only the conditions of use associated with the new clinical investigations and, as a general matter, does not prohibit the FDA from approving ANDAs or 505(b)(2) NDAs for generic versions of the original, unmodified drug product. Five-year and three-year exclusivity will not delay the submission or approval of a full NDA; however, an applicant submitting a full NDA would be required to conduct or obtain a right of reference to all of the preclinical studies and adequate and well-controlled clinical trials necessary to demonstrate safety and effectiveness.

Pediatric exclusivity

Pediatric exclusivity is another type of non-patent marketing exclusivity in the United States and, if granted, provides for the attachment of an additional six months of marketing protection to the term of any existing regulatory exclusivity, including the non-patent exclusivity periods described above. This six-month exclusivity may be granted based on the voluntary completion of a pediatric study or studies in accordance with an FDA-issued "Written Request" for such a study or studies.

Qualified Infectious Disease Product exclusivity

We received QIDP designation for the oral form of SCY-078 and we will submit an additional QIDP application for the IV form of SCY-078. If the NDA to be submitted for SCY-078 is approved by the FDA, the FDA will extend by an additional five years any non-patent marketing exclusivity period awarded, such as a five-year exclusivity period awarded for a new chemical entity. This extension is in addition to any pediatric exclusivity extension awarded. Eligibility for the extension will be denied if the product is approved for uses that would not meet the definition of a QIDP.

Foreign regulation

To market any product outside of the United States, we would need to comply with numerous and varying regulatory requirements of other countries regarding safety and efficacy and governing, among other things, clinical trials, marketing authorization, commercial sales and distribution of our products. Whether or not we obtain FDA approval for a product, we would need to obtain the necessary approvals by the comparable regulatory authorities of foreign countries before we can commence clinical trials or marketing of the product in those countries. The approval process varies from country to country and can involve additional product testing and additional administrative review periods. The time required to obtain

approval in other countries might differ from and be longer than that required to obtain FDA approval. Regulatory approval in one country does not ensure regulatory approval in another, but a failure or delay in obtaining regulatory approval in one country may negatively impact the regulatory process in others.

Pharmaceutical coverage, pricing and reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any drug products for which we may obtain regulatory approval. Sales of any of our product candidates which may be ultimately approved, including SCY-078, will depend, in part, on the extent to which the costs of the products will be covered by third-party payors, including government health programs such as Medicare and Medicaid, and commercial health insurers. The process for determining whether a payor will provide coverage for a drug product is separate from the process for determining the reimbursement rate for the drug product once coverage is approved. Third-party payors may limit coverage to specific drug products on an approved list, or formulary, which might not include all of the approved drugs for a particular indication or may apply utilization management requirements such as prior authorization to restrict access to certain approved drugs for a particular indication.

To secure coverage and reimbursement for any product that might be approved by the FDA for sale, we may need to conduct expensive pharmacoeconomic studies to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. Our product candidates may not be considered medically necessary or cost-effective by government or private third-party payor decision makers. A payor's decision to provide coverage for a drug product does not mean that the product will be adequately reimbursed. Third-party reimbursement may not be sufficient to enable us to realize an appropriate return on our investment in product development.

The containment of healthcare costs has become a priority of federal, state and foreign governments, and the prices of drugs have been a focus in this effort. Third-party payors are increasingly challenging the prices of medical products and corresponding services and examining the medical necessity and cost-effectiveness of medical products and services, in addition to their safety and efficacy. If these third-party payors do not consider products to be cost-effective compared to other available therapies, they may not provide coverage for our products after approval as a benefit under their health insurance plans or, if they do, the reimbursement rates may not be adequate to allow recovery of product development and production costs. In addition, and to be considered for coverage and reimbursement, all third-party payors in the United States require that healthcare providers use unique codes to identify the product and service rendered when billing for such products and services. Codes unique to a pharmaceutical product for use in a physician's office, such as our lead product candidate, are only available after a twelve-month coding application and review process by the Centers for Medicare and Medicaid Services, or CMS, which commences in January of each year post FDA approval of the product. Codes for use in hospital outpatient departments may be created mid-year, but there may be delay between launch and issuance of a code. In the absence of a unique code for a pharmaceutical product post commercial launch, and in the interim, it is standard practice for healthcare providers in the United States to use a temporary code when billing third-party payors to describe the pharmaceutical product rendered.

The U.S. government, state legislatures and foreign governments have shown significant interest in implementing cost-containment programs to limit the growth of government-paid health care costs, including price controls, restrictions on reimbursement and requirements for substitution of generic products for branded prescription drugs. Adoption of such controls and measures, and tightening of restrictive policies in jurisdictions with existing controls and measures, could limit payments for pharmaceuticals such as the drug product candidates that we are developing and could adversely affect our net revenue and results.

Pricing and reimbursement requirements vary widely from country to country. Some countries provide that drug products may be marketed only after a reimbursement price has been agreed. Some countries may

require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies. For example, the European Union provides options for its member states to restrict the range of drug products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. European Union member states may approve a specific price for a drug product or it may instead adopt a system of direct or indirect controls on our profitability in placing the drug product on the market. Other member states allow companies to fix their own prices for drug products, but monitor and control company profits. The downward pressure on health care costs in general, particularly prescription drugs, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert competitive pressure that may reduce pricing within a country. There can be no assurance that any country that has price controls or reimbursement limitations for drug products will allow favorable reimbursement and pricing arrangements for any of our products.

The marketability and adoption of any products for which we receive regulatory approval for commercial sale may suffer if the government and private third-party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and we expect will continue to increase the pressure on drug pricing. Coverage policies, third-party payment rates and drug pricing regulation may change at any time. In particular, in March 2010, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act of 2010, together the Affordable Care Act, was adopted in the United States. This law substantially changes the way healthcare is financed by both governmental and private insurers, and significantly impacts the pharmaceutical industry. Changes that may affect our business if we or our partners commercialize our products in the future include those governing enrollment in federal healthcare programs, reimbursement changes, rules regarding prescription drug benefits under the health insurance exchanges, and fraud and abuse and enforcement. In addition, continued implementation of the Affordable Care Act may result in the expansion of new programs such as Medicare payment for performance initiatives, and may impact existing government healthcare programs, such as by improving the physician quality reporting system and feedback program.

Additional provisions of the Affordable Care Act may negatively affect our revenues from products that we commercialize in the future. For example, as part of the Affordable Care Act's provisions closing a coverage gap that currently exists in the Medicare Part D prescription drug program, manufacturers of branded prescription drugs are required to provide a 50% discount on branded prescription drugs dispensed to beneficiaries within this coverage gap. Medicare Part D is a prescription drug benefit available to all Medicare beneficiaries. It is a voluntary benefit that is implemented through private plans under contractual arrangements with the federal government. Similar to pharmaceutical coverage through private health insurance, Part D plans negotiate discounts from drug manufacturers and pass on some of those savings to Medicare beneficiaries. Effective March 23, 2010, rebates are also due on the drug utilization of Medicaid managed care organizations. With regard to the amount of the rebates owed, the Affordable Care Act increased the minimum Medicaid rebate for all drugs; changed the calculation of the rebate for certain innovator products that qualify as line extensions of existing drugs; and capped the total rebate amount for innovator drugs at 100% of the average manufacturer price, or AMP. In addition, the Affordable Care Act and subsequent legislation changed the definition of AMP. Finally, the Affordable Care Act requires pharmaceutical manufacturers of branded prescription drugs to pay a new branded prescription drug fee to the federal government beginning in 2011.

Even if favorable coverage and adequate payment status is attained for one or more products for which we receive regulatory approval, less favorable coverage policies and payment rates may be implemented in the future.

Healthcare law and regulation

Healthcare providers, physicians and third-party payors often play a primary role in the recommendation and prescription of any product candidates for which we may obtain marketing approval. Our future arrangements with third-party payors and customers may expose us to broadly applicable fraud and abuse and other healthcare laws and regulations that may constrain the business or financial arrangements and relationships through which we market, sell and distribute our products for which we obtain marketing approval. Restrictions under applicable federal and state healthcare laws and regulations, include the following:

- The federal healthcare anti-kickback statute prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made, in whole or in part, under federally funded healthcare programs such as Medicare and Medicaid. This statute has been interpreted to apply to arrangements between pharmaceutical manufacturers on the one hand and prescribers, purchasers and formulary managers on the other. Violations of the federal anti-kickback statute are punishable by imprisonment, criminal fines, civil monetary penalties and exclusion from participation in federal healthcare programs. The Affordable Care Act clarified that a person or entity need not have actual knowledge of the federal anti-kickback statute or specific intent to violate it. In addition, the Affordable Care Act amended the federal civil False Claims Act to provide that a claim that includes items or services resulting from a violation of the federal anti-kickback statute constitutes a false or fraudulent claim for purposes of the federal civil False Claims Act. There are a number of statutory exceptions and regulatory safe harbors protecting certain common activities from prosecution or other regulatory sanctions, however, the exceptions and safe harbors are drawn narrowly, and practices that do not fit squarely within an exception or safe harbor may be subject to scrutiny.
- The federal civil False Claims Act imposes civil penalties, and provides for whistleblower or qui tam actions, against individuals or entities for knowingly presenting, or causing to be presented, claims for payment of government funds that are false or fraudulent or knowingly making, or causing to be made, a false record or statement material to a false or fraudulent claim to avoid, decrease or conceal an obligation to pay money to the federal government. Several pharmaceutical and other healthcare companies have faced enforcement actions under these laws for allegedly inflating drug prices they report to pricing services, which in turn were used by the government to set Medicare and Medicaid reimbursement rates, and for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product. In addition, federal anti-kickback statute violations and certain marketing practices, including off-label promotion, may also implicate the federal civil False Claims Act. Federal civil False Claims Act violations may result in civil monetary damages and penalties and exclusion from participation in federal healthcare programs. There are also criminal penalties, including imprisonment and criminal fines, for making or presenting a false, fictitious or fraudulent claim to the federal government.
- The federal Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, imposes criminal and civil liability for executing a scheme to defraud any healthcare benefit program and also imposes obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information.
- The federal criminal false statements statute prohibits knowingly and willfully falsifying, concealing or covering up a material fact, making any materially false, fictitious, or fraudulent statement or representation, or making or using any false writing or document knowing the same to contain any

materially false, fictitious or fraudulent statement or entry in connection with the delivery of or payment for healthcare benefits, items or services.

- The federal Physician Payment Sunshine Act, being implemented as the Open Payments Program, requires applicable pharmaceutical manufacturers of covered drugs to engage in extensive tracking of physician and teaching hospital payments, maintenance of a payments database, and public reporting of the payment data. Pharmaceutical manufacturers with products for which payment is available under Medicare, Medicaid or the State Children's Health Insurance Program were required to begin such tracking on August 1, 2013, and must make their first report to CMS by March 31, 2014 and annually thereafter. CMS will post manufacturer disclosures on a searchable public website. Failure to comply with the reporting obligations may result in civil monetary penalties.
- Analogous state laws and regulations, such as state anti-kickback and false claims laws, may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by Medicaid or other state programs or, in several states, apply regardless of the payor. Several state laws require pharmaceutical companies to report expenses relating to the marketing and promotion of pharmaceutical products in those states and to report gifts and payments to individual health care providers in those states. Some of these states also prohibit certain marketing related activities including the provision of gifts, meals or other items to certain health care providers. In addition, California, Connecticut, Nevada, and Massachusetts require pharmaceutical companies to implement compliance programs or marketing codes.

Regulation of preclinical research services

Preclinical research to support FDA submissions is subject to Good Laboratory Practices, or GLP, regulation and as a result the services we provide to third parties are subject to these regulations. Non-compliance with GLP can result in disqualification of the testing facility, and allows FDA to ignore the results of any study conducted by the disqualified facility. Although we do not directly conduct animal studies, such studies which we may facilitate or contract to third parties are subject to GLP and the Animal Welfare Act which among other things sets minimum standards of care for certain animals used in research. The Animal and Plant Health Inspection Service of the U.S. Department of Agriculture administers the Animal Welfare Act.

Intellectual Property

We strive to protect the proprietary technology that we believe is important to our business, including seeking and maintaining patents intended to cover our product candidates and compositions, their methods of use and processes for their manufacture and any other inventions that are commercially important to the development of our business. We also rely on trade secrets to protect aspects of our business that are not amenable to, or that we do not consider appropriate for, patent protection.

As of February 23, 2014, we are the owner of 14 issued U.S. patents and 154 issued non-U.S. patents with claims to novel compounds, compositions containing them, processes for their preparation, their uses as pharmaceutical agents and test methods, with terms expiring between 2016 and 2030. Of these patents, one U.S. patent relates to SCY-078. We are actively pursuing ten U.S. patent applications (provisional and non-provisional), one international (PCT) patent application and 86 non-U.S. patent applications in at least 35 jurisdictions.

We are the exclusive licensee from Aventis Pharma of three issued U.S. patents and 63 issued non-U.S. patents, with claims to novel compounds, compositions containing them, processes for their preparation, and their uses as pharmaceutical agents, with terms expiring between 2017 and 2022. These include patents covering our clinical candidate SCY-635.

Our success will depend significantly on our ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions and know-how related to our business, defend and enforce our patents, maintain our licenses to use intellectual property owned by third parties, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and other proprietary rights of third parties. We also rely on know-how, continuing technological innovation and in-licensing opportunities to develop, strengthen, and maintain our proprietary position in the field of anti-fungal agents.

We believe that we have a strong intellectual property position and substantial know-how relating to the development and commercialization of SCY-078, consisting of patents or patent applications that we have co-invented with Merck. We cannot be sure that patents will be granted with respect to any of our pending patent applications or with respect to any patent applications filed by us in the future, nor can we be sure that any of our existing patents or any patents that may be granted to us in the future will be commercially useful in protecting our technology.

Our objective is to continue to expand our intellectual property estate by filing patent applications directed to SCY-078 and derivatives thereof, our cyclophilin platform and our contract research and development services. We intend to pursue, maintain, and defend patent rights, whether developed internally or licensed from third parties, and to protect the technology, inventions, and improvements that are commercially important to the development of our business.

SCY-078

The patent portfolio for SCY-078 is directed to cover compositions of matter, formulation, methods of use and precursors or intermediaries in its preparation. This patent portfolio includes an issued U.S. patent and corresponding foreign national and regional counterpart patents and patent applications. The patents and patent applications relating to SCY-078 include patents and patent applications which were initially assigned to us and Merck Sharp & Dohme Corp, a subsidiary of Merck & Co., Inc. Merck Sharp & Dohme Corp., subsequently assigned to us all of its rights in the patents and patent applications relating to SCY-078. The issued composition of matter patent (U.S. Patent No. 8,188,085), if the appropriate maintenance, renewal, annuity, and other governmental fees are paid, is expected to expire in 2030. Based on our current development plan, we believe that an additional term of up to five years for the SCY-078 U.S. patent may result from the patent term extension provision of the Drug Price Competition and Patent Term Restoration Act of 1984 (the Hatch-Waxman Act). We expect that the patent applications in this portfolio, if issued, and if appropriate maintenance, renewal, annuity, and other governmental fees are paid, would expire between 2029 and 2035, including any additional term from patent term adjustment or patent term extension. The patent term calculation method and the provisions under the Hatch-Waxman Act are described in the “Patent Term” section below. We are not currently aware of any third-party patents (other than patents we have licensed) encompassing SCY-078.

The terms of issued SCY-078 composition of matter patents in other jurisdictions (Armenia, Azerbaijan, Belarus, Lebanon, Kazakhstan, Kyrgyzstan, Mexico, Moldova, New Zealand, Russia, Singapore, South Africa, Tajikistan and Turkmenistan) if the appropriate maintenance, renewal, annuity, and other government fees are paid, are expected to expire in 2029. These patents and patent applications (if applicable), depending on the national laws, may benefit from extension of patent term in individual countries. In some European countries, for example, a supplementary protection certificate, if obtained, provides a maximum five years of market exclusivity. The duration of the supplementary protection certificate may be extended to five and a half years when the supplementary protection certificate relates to a human medicinal product for which data from clinical trials conducted in accordance with an agreed Pediatric Investigation Plan, or PIP, have been submitted. Likewise, in Japan, the term of a patent may be extended by a maximum of five years in certain circumstances.

SCY-641

The patent portfolio for SCY-641 is directed to cover compositions of matter, formulation, and methods of use. This patent portfolio includes issued U.S. patents and corresponding foreign national and regional counterpart patents and patent applications. The patents and patent applications relating to SCY-641 include patents and patent applications owned by us. The issued composition of matter patent (U.S. Patent No. 6,583,265), if the appropriate maintenance, renewal, annuity, and other government fees are paid, is expected to expire in 2019. The issued methods of use patents (U.S. Patent Nos. 8,188,052 and 8,551,952), if the appropriate maintenance, renewal, annuity, and other government fees are paid, are expected to expire in 2029 or 2027, respectively. We believe that the term for up to five years for one of the SCY-641 U.S. patents may be extended under the patent term extension provision of the Hatch-Waxman Act. We expect that the patent applications in this portfolio, if issued, and if appropriate maintenance, renewal, annuity, and other governmental fees are paid, would expire between 2019 and 2034, including any additional term from patent term adjustment or patent term extension, assuming that five year extension is granted. The patent term calculation method and the provisions under the Hatch-Waxman Act are described in the "Patent Term" section below.

The term of issued SCY-641 composition of matter patents in other jurisdictions (Australia, Canada, China, Europe and Japan) and methods of use patents and patent applications (if applicable) relating to SCY-641 (in Australia, Canada, China, Europe, Japan and South Africa), if the appropriate maintenance, renewal, annuity, and other government fees are paid, are expected to expire between 2019 and 2027. The patents and patent applications (if applicable), covering SCY-641, depending on the national laws, may also benefit from extension of patent term in individual countries.

Other product candidates

In addition to SCY-078, SCY-635 and SCY-641, we have a chemical library of more than 1,000 macrocyclic compounds generated by the research team at SCYNEXIS. This library includes compounds which are covered by patents or patent applications filed by us, but also includes novel chemical compounds which could form the basis for future patent applications.

Patent Term

The term of individual patents and patent applications will depend upon the legal term of the patents in the countries in which they are obtained. Generally, the patent term is 20 years from the date of filing of the patent application (or earliest filed parent application, if applicable).

Under the Hatch-Waxman Act, the term of a patent that claims an FDA-approved drug may also be eligible for patent term extension, or PTE. PTE permits patent term restoration of a U.S. patent as partial compensation for patent term lost during the FDA regulatory review process. The length of the patent term extension is related to the length of time the drug is under regulatory review. The Hatch-Waxman Act permits a patent term extension of up to five years beyond the expiration of the patent; however, a patent term extension cannot in any event extend the remaining term of a patent beyond a total of 14 years from the date of product approval; only one patent that claims an approved drug may be extended; and the applicable approval must be the first approval of the product under the provision of law authorizing the approval. During the extension period, the patent holder's rights under the patent are generally limited to approved uses of the product. Similar provisions may be available in Europe and certain other foreign jurisdictions to extend the term of a patent that covers an approved drug. When possible, depending upon the length of clinical trials and other factors involved in the filing of an NDA we expect to apply for patent term extensions for patents covering SCY-078 and its use in treating various diseases. As a specific example, if we are awarded the maximum length of PTE, our U.S. granted composition of matter patents

relating to SCY-078 would have an expected expiration date of the earlier of fourteen years from product approval or August 28, 2035. However, depending on any changes in our clinical path and the date of FDA approval, the PTE may not be granted, or may be less than the maximum.

Proprietary rights and processes

We may rely, in some circumstances, on proprietary technology and processes (including trade secrets) to protect our technology. However, these can be difficult to protect. We seek to protect our proprietary technology and processes, in part, by entering into confidentiality agreements with our employees, consultants, scientific advisors, contractors, and collaborators. We also seek to preserve the integrity and confidentiality of our proprietary technology and processes by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in these individuals, organizations and systems, agreements or security measures may be breached, and we may not have adequate remedies for any breach. In addition, our proprietary technology and processes may otherwise become known or be independently discovered by competitors. To the extent that our employees, consultants, scientific advisors, contractors, or collaborators use intellectual property owned by others in their work for us, disputes may arise as to the rights in related or resulting know-how and inventions. For this and more comprehensive risks related to our proprietary technology and processes, please see the section on "Risk Factors—Risks Relating to Our Intellectual Property."

Legal Proceedings

From time to time, we are involved in various legal proceedings arising in the ordinary course of our business. We are not currently a party to any legal proceedings the outcome of which, if determined adversely to us, would individually or in the aggregate have a material effect on our business, operating results or financial condition.

Employees

As of December 31, 2013, we had 90 employees, all of whom were employed on a full-time basis. Our employees are engaged in administration, finance, clinical development, manufacturing, sales and marketing, and business development functions. Thirty-eight of our employees have Ph.D. degrees in the sciences and are focused on human and animal drug development. We believe our relations with our employees are good.

Facilities

Our corporate headquarters are located in Durham, North Carolina in a leased facility consisting of approximately 90,000 square feet of office space. The lease for this facility expires in March 2019, and includes a renewal option to extend the lease through March 2024.

MANAGEMENT

Directors and Officers

The following table sets forth information regarding our directors and officers:

Name	Age	Position
Yves J. Ribeill, Ph.D.*	54	President, Chief Executive Officer and Director
Carole Sable, MD.*	52	Chief Medical Officer
Charles F. Osborne, Jr.*	49	Chief Financial Officer
Eileen C. Pruette*	55	General Counsel
Vivian W. Doelling, Ph.D.*	58	Vice President of Animal Health
Michael Garrett*	49	Vice President of Corporate and Strategic Development
Amanda S. Mancuso	41	Chief of Staff
Pamela J. Kirby, Ph.D.	60	Chairman of our Board of Directors
Laurent Arthaud	51	Director(1)(2)
Mounia Chaoui, Ph.D.	42	Director
Ann F. Hanham, Ph.D.	61	Director(1)(3)
Patrick J. Langlois, Ph.D.	68	Director(1)(2)
Jean-Yves Nothias, Ph.D.	52	Director(3)
Edward E. Penhoet, Ph.D.	73	Director(2)(3)

* Executive Officer

(1) Member of the audit committee

(2) Member of the compensation committee

(3) Member of the nominating and corporate governance committee

Executive Officers and Other Key Employees

Yves J. Ribeill, Ph.D. Dr. Ribeill has served as our President and Chief Executive Officer and a member of our board of directors since November 1999. From 1982 to 2000, Dr. Ribeill held various positions during a 20-year international pharmaceutical career with Aventis Pharma S.A. and its predecessor Rhône-Poulenc Rorer. His roles with those companies included Discovery Chemistry Group Leader for Anti-Viral Research. He also served as a member of the Central Nervous System Group and as Director of Chemistry for the Anti-Infective Group. He was involved in all phases of the drug discovery and development effort that resulted in FDA approval of the anti-bacterial Synercid® in 1999. Dr. Ribeill is the author of 24 scientific publications and 15 patents. He was a member of the Scientific Advisory Committee of the World Health Organization. Dr. Ribeill has a Ph.D. in Chemistry from the University of Montpellier in France. Because of Dr. Ribeill's extensive knowledge of our company, the pharmaceutical industry and our competitors, we believe he is able to make valuable contributions to our board of directors.

Carole Sable, MD. Dr. Sable joined us as our Chief Medical Officer in January 2014. Before joining the company, Dr. Sable was a Vice President at Merck & Co., Inc, from 2010 to 2013, initially in the Infectious Disease franchise, where she was responsible for coordinating cross functional activities of the discovery and early development programs, and then in the Neurosciences and Ophthalmology franchise, where she was VP in the Project Leadership and Management group, overseeing cross functional activities in late development programs. Dr. Sable served as Chief Medical Officer of Novexel SA and President of Novexel Inc., the US subsidiary, from 2007 to 2010, where she was responsible for clinical development and successfully filed two investigational new drug applications and successfully completed Phase 2b

studies for two antibacterial programs which led to the acquisition of Novexel SA by AstraZeneca. Prior to her position as Chief Medical Officer at Novexel, Dr. Sable was with Merck & Co., Inc. from 1995 to 2007, serving in various capacities in Infectious Disease and Vaccines Clinical Development, ultimately becoming Executive Director in 2006, where she was responsible for anti-bacterial, anti-fungal and vaccine development programs, including the clinical development of the anti-fungal agent Cancidas®. While with Merck, Dr. Sable also supervised the development and regulatory submissions for Invanz® and the in-licensing of the anti-infective amino-methylcycline PTK-0796 from Paratek Pharmaceuticals, as well as programs for sepsis, malaria, and anthrax. Prior to joining Merck, Dr. Sable was an Assistant Professor of Medicine and Infectious Diseases at the University of Virginia in Charlottesville. She received an MD from Jefferson Medical College in 1983 and completed an internal medicine residency and infectious disease fellowship at the University of Virginia.

Charles F. Osborne, Jr. Mr. Osborne, a certified public accountant, has served as our Chief Financial Officer since November 2003. From 1999 to 2003, he was Chief Financial Officer of Nobex Corporation in Durham, North Carolina. At Nobex, Mr. Osborne completed two venture capital rounds totaling more than $60 million. He also was involved in structuring and negotiating corporate licenses and research agreements with global pharmaceutical companies, including GlaxoSmithKline plc. From 1992 to 1998, he was Vice President of Finance for International Murex Technologies Co. While at Murex, he ran the worldwide finance group while based in London and was involved with the sale of the company to Abbott Laboratories. He holds a B.S. in Accounting from the University of North Carolina at Chapel Hill.

Eileen C. Pruette. Ms. Pruette has served as our General Counsel since August 2012. From 2010 to 2012, Ms. Pruette served as Counsel to the U.S. commercial operations of bioMerieux SA, a multinational biotechnology company headquartered in France. From 2003 to 2008, she served as General Counsel for Valeant Pharmaceuticals International, Inc., a multinational specialty pharmaceutical company. From 2001 to 2003, Ms. Pruette served as the Vice President of U.S. Legal and Global Intellectual Property of the Sony Ericsson Mobile Communications joint venture. From 1996 to 2001, she served as Division Counsel for the U.S. operations of Telefonaktiebolaget L. M. Ericsson. From 1990 to 1996 Ms. Pruette served as Corporate Counsel at GlaxoSmithKline plc (then Glaxo, Inc.). Prior to joining Glaxo, Ms. Pruette was an associate with Moore & Van Allen PLLC, a law firm, in Durham, North Carolina. She has a B.S. in Business Administration from the University of North Carolina at Chapel Hill and received her law degree from the Van Hecke-Wettach School of Law at the University of North Carolina at Chapel Hill.

Vivian W. Doelling, Ph.D. Dr. Doelling has served as our Vice President of Animal Health since October 2013. From 2011 until 2013, Dr. Doelling was a Senior Scientist at Integrated Laboratory Systems, Inc., a multidisciplinary research organization, where she was responsible for providing scientific support for biological and toxicological test method evaluation. From 2009 to 2011, she was an independent consultant to agricultural biotechnology and animal health industries. From 1992 to 2007, Dr. Doelling held various positions at Embrex, Inc., including Vice President of Research and Development where she managed a $9 million budget and more than 40 scientists. From 2007 until 2009, Dr. Doelling was a Director, R&D for Pfizer Animal Health, now Zoetis, after Pfizer's acquisition of Embrex Inc. From 1990 to 1991, Dr. Doelling was the Biochemistry Group Leader for the medical research division of American Cyanamid Company. She received her B.S. in Biology from Dickinson College and her Ph.D. in Biological Sciences from Purdue University.

Michael Garrett. Mr. Garrett has served as our Vice President of Corporate and Strategic Development since May 2006. From 2004 to 2006, he was a Managing Director of Pharmavent Partners, a European life sciences venture capital fund headquartered in Paris. At Pharmavent, Mr. Garrett was responsible for UK-based investment opportunities. From 2001 to 2004, he was Global Vice President of Ventures and Business Development for BTG plc. While at BTG, Mr. Garrett was responsible for a portfolio of 15

investments in early stage to public companies in Canada, the United Kingdom and the United States. He is a British and European Patent Attorney, holds an Honors Chemistry degree from Southampton University, United Kingdom and an Executive Certificate in General Management from the Cedep-INSEAD business school in France.

Amanda S. Mancuso. Ms. Mancuso has served as our Chief of Staff since January 2012. Ms. Mancuso served as our Executive Director of Human Resources from 2006 to 2011 and as our Director of Human Resources from 2001 to 2006. From 1998 to 2000, she was the Head of Expatriate Services at Rhône-Poulenc Ag Company in Durham, North Carolina. In this role, she managed the international assignments of high potential employees being developed for larger roles within the organization. From 1994 to 1998, she held various positions in human resources and public relations with Rhône-Poulenc Ag Company. Ms. Mancuso holds a B.A. from Appalachian State University and an M.B.A. from Duke University.

Non-Employee Directors

Pamela J. Kirby, Ph.D. Dr. Kirby has served as the Chairman of our board of directors since January 2006 and has served as a director since December 2004. She brings over 25 years of experience in the pharmaceutical and biotechnology industries. Dr. Kirby served as a director of Novo Nordisk A/S, a global healthcare company, from 2008 to 2011 and as a member of the board of Simmons & Simmons LLP, an international law firm, from 2011 to 2013. She has served as a director of Smith and Nephew plc (LSE: SN), a multinational medical equipment manufacturing company, since 2002, Informa plc (LSE: INF), a multinational publishing and conference company, since 2004, Victrex plc (LSE: VCT), a producer of high performance polymers, since 2011 and DCC plc, a diversified investments group headquartered in Ireland, since 2013. From 2001 to 2003, Dr. Kirby was the Chief Executive Officer of Quintiles Transnational Corporation. From 1998 to 2001, she served as Director of Global Strategic Marketing and Business Development in the pharmaceutical division of Hoffmann-La Roche Ltd. From 1996 to 1998, she served as Commercial Director at British Biotech plc (now Vernalis plc). From 1979 to 1996, Dr. Kirby was with Astra AB (now AstraZeneca plc), rising through various senior management positions, being named Vice President of Corporate Strategy, Marketing and Business Development in 1994. She has a BSc in Pharmacology and a Ph.D. in Clinical Pharmacology from the University of London. Because of Dr. Kirby's experience in senior executive positions within pharmaceutical and clinical research organizations and her extensive board experience we believe she is able to make valuable contributions to our board of directors.

Laurent Arthaud. Mr. Arthaud has served as a member of our board of directors since April 2007. Since 2006 he has served as a General Partner with Bpifrance Investissement, formerly CDC Entreprises, a private equity firm based in Paris, responsible for investments in the biotech field. From 2004 to 2006, he was managing partner with Pharmavent Partners, also headquartered in Paris, and from 1999 to 2004, Mr. Arthaud was in charge of the venture capital activities of Aventis and managed the venture capital fund F.C.P.R. Genavent. Mr. Arthaud started his career in 1986 at the INSEE (French Economic Statistics Institute), and then at the Forecasts Department of the French Ministry of Finances. In 1995, he joined the cabinet of French Prime Minister Alain Juppé as Technical Advisor in charge of workforce and unemployment matters. He joined Rhône-Poulenc Group in 1997 as Scientific Board General Secretary. Mr. Arthaud is a graduate from the Ecole Polytechnique of Paris and from the Ecole Nationale de la Statistique et de l'Administration Economique. Because of Mr. Arthaud's extensive experience, both in the pharmaceutical industry and in the domain of investments in biotechnology companies, we believe he is able to make valuable contributions to our board of directors.

Mounia Chaoui, Ph.D. Dr. Chaoui has served as a member of our board of directors since January 2012. Since May 2013, Dr. Chaoui has served as a General Partner at Turenne Capital Partenaires, a private

equity and venture capital firm, and from January 2012 to December 2012, she served as a Managing Partner at Inserm Transfert Initiative, a private subsidiary of the French National Institute of Health and Medical Research. From 2001 to 2011, Dr. Chaoui was a General Partner at Ventech Capital. From 1999 to 2001, she served as a consultant to Altran Technologies, where she conducted strategic audits, performed due diligence procedures on behalf of investors and was involved in fundraising for several start-up companies. From 1998 to 1999, was Dr. Chaoui was a member of the life sciences team at Atlas Venture, and from 1995 to 1998, was a Ph.D. student with the Gustav Roussy Institute. Dr. Chaoui served as a member of the board of directors of Cellerix (EUR: TIG) from 2007 to 2012, Funxional Therapeutics from 2011 to 2012 (acquired by Boehringer Ingelheim GmbH) and BioVex Group Inc. from 2009 to 2011 (acquired by Amgen, Inc. in 2011). Currently, she is member of the supervisory boards of ActoGeniX NV, Covagen AG, Eyegate Pharmaceuticals, Inc., Prosonix Ltd. and Groupe SEBBIN SAS. Dr. Chaoui graduated as a bioengineer from École Centrale de Paris and holds a Ph.D. in molecular biophysics from University of Paris VI. Because of Dr. Chaoui's extensive experience in the life sciences venture capital industry, we believe she is able to make valuable contributions to our board of directors.

Ann F. Hanham, Ph.D. Dr. Hanham has served as a member of our board of directors since December 2008. Prior to becoming a Founding Partner and Managing Director of BAR Capital Management in December 2013, she was a General Partner with Burrill & Company, a life sciences venture capital firm from 2000 to 2013. From 1998 to 2000, Dr. Hanham was a co-founder and Vice President of Clinical & Regulatory Affairs at InterMune, Inc. From 1995 to 1998, she served as the Senior Director for Oncology Product Development at Otsuka Pharmaceuticals and from 1991 to 1995 as the Medical Director for Celtrix Pharmaceuticals. From 1988 to 1991, Dr. Hanham worked for Becton Dickinson in both regulatory and clinical affairs for the monoclonal antibody program, and from 1984 to 1988 as a regulatory toxicologist with the Health Protection Branch of Health and Welfare Canada. She has served as a member of the board of directors of Adlyfe Inc. since 2006, Acusphere, Inc. since 2013, Endocyte, Inc. (NASDAQ: ECYT) since 2004, and Waterstone Pharmaceuticals, Inc. since 2008. She previously served as a member of the board of directors of Biotie Therapies Corp. from 2009 to 2010. Dr. Hanham holds a Ph.D. from the University of British Columbia, an MSc from Simon Fraser University, and a BSc from the University of Toronto. She was also Board Certified in Toxicology in 1986. Because of Dr. Hanham's extensive clinical and regulatory experience, as well as her extensive experience in working with development stage biotechnology companies, we believe she is able to make valuable contributions to our board of directors.

Patrick J. Langlois, Ph.D. Dr. Langlois has served as a member of our board of directors since April 2006. Since March 2005, Dr. Langlois has served as the General Partner of PJL Conseils, a consulting firm specializing in strategy, corporate development and mergers and acquisitions. From 2002 to 2004, he served as Vice Chairman of the Management Board and Chief Financial Officer at Aventis S.A., and from 1999 to 2002 as its Executive Vice President and Chief Financial Officer. At Aventis, Dr. Langlois was responsible for finance and corporate development functions, as well as three global businesses: dermatology, protein therapeutics and animal health. From 1990 to 1999, Dr. Langlois was employed by Rhône-Poulenc Group, most recently as Chief Financial Officer and a Member of the Executive Committee. From 1990 to 1996, he was employed by Rhône-Poulenc Rorer, a NYSE-listed pharmaceutical company, most recently as Chief Financial Officer. Dr. Langlois received a License degree from the University of Rennes, a Ph.D. degree in Economics from the University of Rennes and was awarded a Diploma in Higher Banking Studies from the Centre d'Etudes Supérieures de Banque in France. Because of Dr. Langlois' extensive experience in the healthcare sector, including an executive position as chief financial officer of a NYSE-listed company as well as his relationships with institutional investors and investment banks in the United States and Europe, we believe he is able to make valuable contributions to our board of directors.

Jean-Yves Nothias, Ph.D. Dr. Nothias has served as a member of our board of directors since August 2000. Since 2012, Dr. Nothias has served as a Director of Genomic Vision SA, a biotechnology company

headquartered in Paris. Since 2012, Dr. Nothias is Founder and President of a fund management company Vesale Partners, managing its Biotechnology Fund. From 2000 to 2011, Dr. Nothias served as a Managing Director of SG Asset Management, where he headed the Venture Capital Biotechnology Team. Since 2005, he has served as a director of GenomeQuest Inc., and since 2012 he has served as a director of Bioforce Nanoscience Inc. Since 2009 he has served as an observer of the boards of directors of Somalogic Inc. and Pulmagen Therapeutics. From 1999 to 2000, he was a biotechnology corporate analyst for Oddo & Cie, a French brokerage firm. From 1996 to 1998, he was a sales side biotechnology analyst for Hambrecht & Quist based in Paris. Dr. Nothias holds a thesis in Molecular Biology from Université Pierre & Marie Curie and a master's degree in management from Université Paris Sorbonne. Because of Dr. Nothias's extensive biotechnology fund manager and board member experience, we believe he is able to make valuable contributions to our board of directors.

Edward E. Penhoet, Ph.D. Dr. Penhoet has served as a member of our board of directors since June 2002. Since 2000, he has served as a Director of Alta Partners, a life sciences venture capital firm. Since 2009, he has served on President Obama's Council of Advisors on Science and Technology, an advisory group comprising 20 of the nation's leading scientists and engineers who directly advise the President and the Executive Office of the President. From 2005 to 2010, he served as Vice-Chair of the governing board of the Independent Citizens Oversight Committee for the California Institute of Regenerative Medicine. From 2004 to 2008, he served as the President of the Gordon and Betty Moore Foundation. From 1998 to 2002, he served as the Dean of the School of Public Health at the University of California at Berkeley. Dr. Penhoet was a co-founder of Chiron Corporation, where he served as President and Chief Executive Officer from 1981 to 1998. From 1971 to 1981, he was a faculty member of the Biochemistry Department of the University of California at Berkeley. Dr. Penhoet has served as a member of the board of directors of Cymabay Therapeutics, Inc. since 2004, and served as a member of the boards of directors of ChemoCentryx, Inc (NASDAQ: CCXI) from 2007 to 2013, Corcept Therapeutics Incorporated (NASDAQ: CORT) from 2008 to 2010 and ZymoGenetics, Inc. (NASDAQ: ZGEN) from 2000 to 2010. He is a member of both the Institute of Medicine of the National Academies and the American Academy of Arts and Sciences and has co-authored more than 50 scientific articles and papers. Dr. Penhoet earned his A.B. in Biology from Stanford University and his Ph.D. in Biochemistry from the University of Washington. He was a post-doctoral fellow at the University of California, San Diego, from 1968 to 1970. Because of Dr. Penhoet's extensive experience as an investor in life science companies, we believe he is able to make valuable contributions to our board of directors.

Each of our executive officers serves at the discretion of our board of directors and holds office until his or her successor is duly elected and qualified or until his or her earlier resignation or removal. There are no family relationships among any of our directors or executive officers.

Board Composition and Election of Directors

Our business and affairs are managed under the direction of our board of directors, which currently consists of eight members. The members of our board of directors were elected in compliance with the provisions of our amended and restated certificate of incorporation and a voting agreement among certain of our stockholders, as amended. The voting agreement will terminate upon the closing of this offering and none of our stockholders will have any special rights regarding the election or designation of members of our board of directors.

Director Independence

Under the listing requirements and rules of the NASDAQ Global Market, independent directors must compose a majority of our board of directors within a specified period of the closing of this offering.

Our board of directors has undertaken a review of its composition, the composition of its committees, and the independence of each director. Based upon information requested from and provided by each director concerning his or her background, employment, and affiliations, including family relationships, our board of directors has determined that all members of our board of directors except Dr. Ribeill do not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined under the applicable rules and regulations of the SEC and the listing requirements and rules of the NASDAQ Global Market. In making this determination, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our capital stock by each non-employee director.

Board Committees

Our board of directors has the authority to appoint committees to perform certain management and administration functions. Upon the closing of this offering, our board of directors will have an audit committee, a compensation committee and a nominating and corporate governance committee. The composition and responsibilities of each committee are described below. Members will serve on these committees until their resignation or until otherwise determined by our board of directors. Following the closing of this offering, the charters for each of these committees will be available on our website at *www.scynexis.com*.

Audit Committee

Our audit committee currently consists of Patrick J. Langlois, Ph.D., Laurent Arthaud, and Ann F. Hanham, Ph.D., each of whom satisfies the independence requirements under the NASDAQ Global Market listing standards and Rule 10A-3(b)(1) of the Securities Exchange Act of 1934, or the Exchange Act. Our board of directors has determined that Dr. Langlois is an "audit committee financial expert" within the meaning of SEC regulations. Each member of our audit committee can read and understand fundamental financial statements in accordance with audit committee requirements. In arriving at this determination, our board of directors has examined each audit committee member's scope of experience and the nature of their employment in the corporate finance sector.

Our audit committee oversees our corporate accounting and financial reporting process. The audit committee has the following responsibilities, among others things, as set forth in the audit committee charter:

- reviewing and pre-approving the engagement of our independent registered public accounting firm to perform audit services and any permissible non-audit services;
- evaluating the performance of our independent registered public accounting firm and deciding whether to retain their services;
- reviewing our annual and quarterly financial statements and reports and discussing the statements and reports with our independent registered public accounting firm and management, including a review of disclosures under the section of this prospectus titled "Management's Discussion and Analysis of Financial Condition and Results of Operations;"
- considering and approving or disapproving of all related party transactions;
- preparing the audit committee report required by the SEC to be included in our annual proxy statement;

- reviewing, with our independent registered public accounting firm and management, significant issues that may arise regarding accounting principles and financial statement presentation, as well as matters concerning the scope, adequacy and effectiveness of our financial controls;
- conducting an annual assessment of the performance of the audit committee and its members, and the adequacy of its charter; and
- establishing procedures for the receipt, retention and treatment of complaints received by us regarding financial controls, accounting or auditing matters.

Compensation Committee

Our compensation committee currently consists of Patrick J. Langlois, Ph.D., Laurent Arthaud, and Edward E. Penhoet, Ph.D., each of whom our board of directors has determined to be independent under the NASDAQ Global Market listing standards and an "outside director" as that term is defined in Section 162(m) of the Internal Revenue Code.

Our compensation committee reviews and recommends policies relating to compensation and benefits of our officers and employees. The compensation committee has the following responsibilities, among other things, as set forth in the compensation committee's charter:

- determining the compensation and other terms of employment of our chief executive officer and our other executive officers and reviewing and approving corporate performance goals and objectives relevant to the compensation;
- reviewing and recommending to the full board of directors the compensation of our non-employee directors;
- evaluating, adopting and administering the equity incentive plans, compensation plans, and similar programs advisable for us, as well as modification or termination of existing plans and programs;
- establishing policies with respect to equity compensation arrangements;
- reviewing and discussing annually with management our "Compensation Discussion and Analysis" if required by SEC rules;
- preparing the compensation committee report if required by the SEC to be included in our annual proxy statement; and
- reviewing and evaluating, at least annually, the performance of the compensation committee and the adequacy of its charter.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee currently consists of Ann F. Hanham, Ph.D., Edward E. Penhoet, Ph.D., and Jean-Yves Nothias, Ph.D., each of whom our board of directors has determined to be independent under the NASDAQ Global Market listing standards.

Our nominating and corporate governance committee makes recommendations regarding corporate governance, the composition of our board of directors, identification, evaluation and nomination of director candidates and the structure and composition of committees of our board of directors. The nominating and corporate governance committee has the following responsibilities, among other things, as set forth in the nominating and corporate governance committee's charter:

- reviewing periodically and evaluating director performance on our board of directors and its applicable committees, and recommending to our board of directors and management areas for improvement;

- interviewing, evaluating, nominating and recommending individuals for membership on our board of directors;
- reviewing and recommending to our board of directors any amendments to our corporate governance policies; and
- reviewing and assessing, at least annually, the performance of the nominating and corporate governance committee and the adequacy of its charter.

Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics that applies to all of our employees, officers and directors, including those officers responsible for financial reporting. Following the closing of this offering, the code of business conduct and ethics will be available on our website at *www.scynexis.com*. We will disclose any amendments to the code, or any waivers of its requirements, on our website to the extent required by the applicable rules and exchange requirements.

Compensation Committee Interlocks and Insider Participation

None of the members of our compensation committee has ever been an officer or employee of our company. None of our executive officers serve, or have served during the last fiscal year, as a member of our board of directors, compensation committee or other board committee performing equivalent functions of any entity that has one or more executive officers serving as one of our directors or on our compensation committee.

Director Compensation

We currently do not provide cash compensation to our non-employee directors. From time to time, we have granted stock options to certain of our non-employee directors as compensation for their services. Dr. Ribeill, who is also an employee, is compensated for his service as an employee and does not receive any additional compensation for his service on our board of directors.

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

Name	Option awards(1)	All other compensation	Total
Pamela J. Kirby, Ph.D.	$43,400		$43,400
Laurent Arthaud	$18,600		$18,600
Mounia Chaoui, Ph.D.	—		—
Ann F. Hanham, Ph.D.	—		—
Patrick J. Langlois, Ph.D.	$37,200	$10,840(2)	$48,040
Jean-Yves Nothias, Ph.D.	—		—
Edward E. Penhoet, Ph.D.	—		—

(1) The amounts in this column reflect the aggregate grant date fair value of each option award granted during the fiscal year, as computed in accordance with FASB ASC Topic 718. The grant date fair value of such option awards is $4.96. The valuation assumptions used in determining such amounts are described in Note 11 to our financial statements included in this prospectus. The table below lists the aggregate number of shares and additional information with respect to the outstanding option awards held by each of our non-employee directors.

(2) Represents amounts earned in connection with consulting services.

Name	Number of shares subject to outstanding options as of December 31, 2013(1)
Pamela J. Kirby, Ph.D.	77,000
Laurent Arthaud	22,500
Mounia Chaoui, Ph.D.	—
Ann F. Hanham, Ph.D.	—
Patrick J. Langlois, Ph.D.	51,250
Jean-Yves Nothias, Ph.D.	—
Edward E. Penhoet, Ph.D.	—

(1) Includes options to purchase 8,750 shares, 3,750 shares and 7,500 shares of our common stock that were granted to Dr. Kirby, Mr. Arthaud and Dr. Langlois, respectively, on December 20, 2013, under our 2009 Stock Option Plan, or 2009 Plan.

Following the closing of this offering, we intend to compensate our non-employee directors with a combination of cash and equity. Each non-employee director will receive an annual base cash retainer of $30,000 for such service, to be paid quarterly. In addition, the chairman of our board of directors will receive an additional annual base cash retainer of $15,000, to be paid quarterly.

In addition, we intend to compensate the members of our board of directors for service on our committees as follows:

- The chairperson of our audit committee will receive an annual cash retainer of $10,000 for this service, paid quarterly, and each of the other members of the audit committee will receive an annual cash retainer of $6,500, paid quarterly.
- The chairperson of our compensation committee will receive an annual cash retainer of $7,500 for this service, paid quarterly, and each of the other members of the compensation committee will receive an annual cash retainer of $5,000, paid quarterly.
- The chairperson of our nominating and corporate governance committee will receive an annual cash retainer of $4,500 for this service, paid quarterly, and each of the other members of the nominating and corporate governance committee will receive an annual cash retainer of $3,000, paid quarterly.

Further, after the closing of this offering, each year on or promptly following the date of our annual meeting of stockholders, each non-employee director will be granted an option to purchase 7,500 shares of our common stock, and our chairman will be granted an additional option to purchase 3,750 shares of our common stock. If a new board member joins our board of directors after the closing of this offering, the director will be granted an initial option to purchase 16,250 shares of our common stock, and if a new chairman joins our board of directors after the closing of this offering, the chairman will be granted an initial option to purchase 24,375 shares of our common stock. Annual option grants and initial option grants to new board members will have an exercise price per share equal to the fair market value of a share of our common stock on the date of grant and will vest in full on the earlier of our next annual meeting of stockholders to occur in the year following the date of grant and the one year anniversary of the date of grant; provided, that the non-employee director is providing continuous services on the applicable vesting date.

EXECUTIVE COMPENSATION

Summary Compensation Table

The following table provides information regarding the compensation of our principal executive officer, principal financial officer and our other highest paid executive officer during the fiscal years ended December 31, 2013 and December 31, 2012. We refer to these executive officers in this prospectus as our named executive officers.

Name and Principal Position	Year	Salary	Option awards(1)	All other compensation	Total
Yves J. Ribeill, Ph.D.	2013	$250,146	—	$ 11,904(2)	$262,050
President and Chief Executive Officer	2012	$250,203	—	$ 10,080(6)	$260,283
Charles F. Osborne, Jr.	2013	$250,205	—	$ 8,955(3)	$259,160
Chief Financial Officer	2012	$250,213	—	$ 8,779(7)	$258,992
Eileen C. Pruette(4)	2013	$235,062	—	$ 8,477(5)	$243,539
General Counsel	2012	$ 87,372	$ 142,000	$ 2,687(8)	$232,059

(1) The amounts in this column reflect the aggregate grant date fair value of each option award granted during the fiscal year, computed in accordance with FASB ASC Topic 718. The grant date fair value of such option award is $2.84. The valuation assumptions used in determining such amounts are described in Note 11 to our financial statements included in this prospectus.

(2) Includes tax preparation payments in the amount of $2,950, short term/long term disability premiums in the amount of $1,030 and life insurance premiums in the amount of $420. Also includes $7,504 contributed to his 401(k) plan account.

(3) Includes short term/long term disability premiums in the amount of $1,030 and life insurance premiums in the amount of $420. Also includes $7,505 contributed to his 401(k) plan account.

(4) Ms. Pruette's employment with us began in August 2012.

(5) Includes short term/long term disability premiums in the amount of $1,030 and life insurance premiums in the amount of $395. Also includes $7,052 contributed to her 401(k) plan account.

(6) Includes tax preparation payments in the amount of $3,025, short term/long term disability premiums in the amount of $950 and life insurance premiums in the amount of $420. Also includes $5,685 contributed to his 401(k) plan account.

(7) Includes short term/long term disability premiums in the amount of $950 and life insurance premiums in the amount of $420. Also includes $7,409 contributed to his 401(k) plan account.

(8) Includes short term/long term disability premiums in the amount of $238 and life insurance premiums in the amount of $99. Also includes $2,350 contributed to her 401(k) plan account.

Outstanding Equity Awards as of December 31, 2013

The following table provides information regarding outstanding equity awards held by our named executive officers as of December 31, 2013.

Name	Number of Securities Underlying Unexercised options		Option exercise Price	Option expiration Date
	Exercisable(1)	Unexercisable		
Yves J. Ribeill, Ph.D.	37,500	—	$ 4.00	10/22/14
	37,500	—	$ 4.00	04/28/15
	4,750	—	$ 4.00	04/20/16
	18,750	—	$ 4.00	04/26/17
	15,000	—	$ 4.00	04/18/18
	18,750	—	$ 5.00	04/23/19
	15,000		$ 5.08	07/14/20
	5,000	5,000(2)	$ 6.00	04/20/21
Charles F. Osborne, Jr.	4,900	—	$ 4.00	10/22/14
	4,768	—	$ 4.00	04/28/15
	2,500	—	$ 4.00	04/20/16
	6,250	—	$ 4.00	04/26/17
	4,125	—	$ 4.00	04/18/18
	6,250	—	$ 5.00	04/23/19
	7,500	—	$ 5.08	07/14/20
	2,125	2,125(2)	$ 6.00	04/20/21
Eileen C. Pruette	10,660	39,340(3)	$ 4.80	10/24/22

(1) The options listed are fully vested or are subject to an early exercise right and may be exercised in full prior to vesting of the shares underlying such options. Vesting of all options is subject to continued service on the applicable vesting date.

(2) 25% of the shares subject to this option vested on April 21, 2012, 25% of the shares subject to this option vested on April 21, 2013 and 50% of the shares subject to this option vests on April 21, 2014.

(3) 15% of the shares subject to this option vested on August 20, 2013, 1.58% of the shares subject to the option vest monthly for the next twelve months and 2.75% of the shares subject to the option vest monthly for 24 months thereafter.

Change in Control Severance Benefits

We have entered into employment agreements with each of Dr. Ribeill, Ms. Pruette and Mr. Osborne that contain severance provisions providing for continued payment of salary and provision of benefits for a specified period of time in connection with termination of employment under various circumstances, including involuntary termination by us or termination by the employee for good reason.

The actual amounts that would be paid or distributed to an eligible executive officer as a result of a termination of employment occurring in the future may be different than those presented below, as many factors will affect the amount of any payments and benefits upon a termination of employment. For example, some of the factors that could affect the amounts payable include the executive officer's base salary and the market price of our common stock. Although we have entered into a written agreement to provide severance payments and benefits in connection with a termination of employment under particular circumstances, we may mutually agree with the executive officers to provide payments and benefits on terms that vary from those currently contemplated. In addition to the amounts presented below, each executive officer is eligible to receive any benefits accrued under our broad-based benefit plans, such as accrued vacation pay, in accordance with those plans and policies.

To receive any of the severance benefits under these agreements, the executive officer must execute a release of claims against us and comply with further cooperation, confidentiality and noncompetition provisions.

Severance Payments

In the event of a termination without "just cause" by us or an executive officer's resignation for "good reason" at any time during the period that is within twelve months following a "change in control," which termination we refer to as a Change in Control Termination, the executive officer is eligible to receive the following payments and benefits:

- a cash amount equal to a portion (twelve months in the case of Ms. Pruette and Mr. Osborne or 24 months in the case of Dr. Ribeill) of the executive officer's then current base salary, which shall be paid over twelve months (in the case of Ms. Pruette and Mr. Osborne) or 24 months (in the case of Dr. Ribeill) commencing with the first payroll period following the termination date; and
- payment of the same percentage of the COBRA premiums for continued medical, dental, and vision group health coverage as we paid prior to the executive officers termination, until the earlier of (a) twelve months (in the case of Ms. Pruette and Mr. Osborne) or 24 months (in the case of Dr. Ribeill) after termination of employment, (b) such time as the executive officer becomes enrolled in the group health insurance plan of another employer or (c) the executive officer becomes entitled to Medicare after the COBRA election.

In the event of a termination without "just cause" by us or an executive officer's resignation for "good reason" at any time other than during the twelve month period following a "change in control," which we refer to as a Covered Termination, the executive officer is eligible to receive the following payments and benefits:

- a cash amount equal to a portion (six months in the case of Ms. Pruette and Mr. Osborne or twelve months in the case of Dr. Ribeill) of the executive officer's then current base salary, which shall be paid over six months (in the case of Ms. Pruette and Mr. Osborne) or twelve months (in the case of Dr. Ribeill) commencing with the first payroll period following the termination date; and
- payment of the same percentage of the COBRA premiums for continued medical, dental, and vision group health coverage as we paid prior to the executive officers termination, until the earlier of (a) six months (in the case of Ms. Pruette and Mr. Osborne) or twelve months (in the case of Dr. Ribeill) after termination of employment, (b) such time as the executive officer becomes enrolled in the group health insurance plan of another employer or (c) the executive officer becomes entitled to Medicare after the COBRA election.

Treatment of Equity Awards

In the event of a Change in Control Termination, the vesting and exercisability of all outstanding options to purchase our common stock held by an eligible executive officer will be accelerated in full, and any repurchase rights held by us respect to our common stock issued or issuable pursuant to any other stock award granted to such executive officer will lapse.

In the event of a Covered Termination, the vesting and exercisability of all outstanding options to purchase our common stock held by an eligible executive officer will be accelerated, and any repurchase rights held by us with respect to our common stock issued or issuable pursuant to any other stock award granted to such executive officer will lapse, with respect to the same number of shares if the executive officer had continued employment for an additional six months (in the case of Ms. Pruette and Mr. Osborne) or twelve months (in the case of Dr. Ribeill).

Parachute Payments

If any payment or benefit received by Dr. Ribeill, Mr. Osborne or Ms. Pruette under his or her employment agreement or otherwise would constitute a "parachute payment" within the meaning of Section 280G of the Internal Revenue Code and the payments would be subject to the excise tax imposed by Section 4999 of the Internal Revenue Code, then the payments will either be (1) provided to the executive officer in full or (2) reduced to such lesser amount that would result in no portion of such payments being subject to the excise tax, whichever amount after taking into account all applicable taxes, including the excise tax, would result in the executive officer's receipt, on an after-tax basis, of the greatest amount of such payments.

For purposes of these agreements, the term "change in control" generally means the occurrence of any of the following: (a) our company being party to any merger, consolidation or other similar transaction that results in our stockholders immediately before the merger, consolidation or other similar transaction owning less than 50% of the equity, or possessing less than 50% of the voting control, of us or the successor entity in the merger, consolidation or similar transaction; (b) any liquidation, dissolution or other sale or disposition of all or substantially all of our assets; or (c) our stockholders sell or otherwise dispose of our capital stock in a single transaction or series of related transactions such that the stockholders immediately before such transaction or related transactions own less than 50% of the equity, and possess less than the voting power, of our capital stock; provided, however, that an initial public offering or subsequent public offering of our common stock does not constitute a "change in control."

For purposes of these agreements, the term "just cause" generally means any of the following: (a) the executive officer's willful and material breach of his or her employment agreement and the executive officer's continued failure to cure such breach to the reasonable satisfaction of our board of directors within thirty days following written notice of such breach from our board of directors; (b) the executive officer's conviction of, or entry of a plea of guilty or *nolo contendere* to a felony or a misdemeanor involving moral turpitude; (c) the executive officer's willful commission of an act of fraud, breach of trust or dishonesty, including without limitation embezzlement or an act that results in material damage or harm to our business, financial condition or assets; (d) the executive officer's intentional damage or destruction of substantial property of SCYNEXIS; or (e) the executive officer's breach of the terms of his or her confidentiality agreement with us.

For purposes of these agreements, the term "good reason" generally means any of the following without the executive officer's express written consent: (a) assignment to, or withdrawal from, the executive officer of any duties or responsibilities that results in a material diminution in the executive officer's authority, duties or responsibilities as in effect immediately prior to such change; (b) a material diminution in the authority, duties or responsibilities of the supervisor to whom the executive officer is required to report, including (if applicable) a requirement that the executive officer report to a corporate officer or employee instead of reporting directly to our board of directors; (c) a material reduction by us of the executive officer's annual base salary; (d) a relocation of the executive officer or our principal executive offices if the executive officer's principal office is at such offices, to a location more than 60 miles from the location at which the executive officer is then performing his or her duties; or (e) a material breach by us of any provision of the executive officer's employment agreement or any other enforceable written agreement between us and the executive officer.

Before an executive officer may terminate employment for "good reason," the executive officer must notify us in writing within 90 days following the occurrence of the event constituting good reason, we must fail to remedy or cure the alleged "good reason" within 30 days following receipt of such written notice and the executive officer must then terminate employment within 12 months following the expiration of the time period.

Employment Agreements

We have entered into agreements with each of the executive officers in connection with his or her employment with us. With the oversight and approval of our board of directors, each of these employment agreements was negotiated on our behalf by our Chief Executive Officer, Dr. Ribeill, with the exception of his own employment agreement. These agreements generally provide for "at will" employment and set forth the terms and conditions of employment of each named executive officer, including base salary, target annual bonus opportunity, standard employee benefit plan participation, initial stock option grant and vesting provisions with respect to the initial stock option grant. These employment agreements were each subject to execution of our standard confidential information and invention assignment agreement.

Employment agreement with Dr. Ribeill. We entered into an employment agreement with Dr. Ribeill in December 2001 setting forth the terms of Dr. Ribeill's employment. Pursuant to the agreement, Dr. Ribeill was initially paid a salary of $125,000 and was eligible to receive a performance bonus based on a target amount of 30% of his base salary and certain stock options under our 2009 Plan. We entered into an amended and restated employment agreement with Dr. Ribeill in December 2012, which replaced and superseded his prior employment agreement, effective in December 2012. Pursuant to this agreement, Dr. Ribeill receives an annual salary of $250,108 and is eligible to receive a performance bonus based on a target amount of 50% of his base salary, as determined by our board of directors based upon the achievement of performance objectives mutually agreed upon by Dr. Ribeill and our board of directors.

Employment agreement with Mr. Osborne. We entered into an employment agreement with Mr. Osborne in November 2003 setting forth the terms of Mr. Osborne's employment. Pursuant to the agreement, Mr. Osborne was initially paid an annual salary of $220,000 and was eligible to receive a performance bonus based on a target amount of 30% of his base salary and certain stock options under our 2009 Plan. We entered into an amended and restated employment agreement with Mr. Osborne in December 2012, which replaced and superseded his prior employment agreement, effective in December 2012. Pursuant to this agreement, Mr. Osborne receives an annual salary of $250,118 and is eligible to receive a performance bonus based on a target amount of 30% of his base salary, as determined by our board of directors based upon the achievement of performance objectives mutually agreed upon by Mr. Osborne and our board of directors.

Employment agreement with Ms. Pruette. We entered into an employment agreement with Ms. Pruette in August 2012 setting forth the terms of Ms. Pruette's employment. Pursuant to the agreement, Ms. Pruette receives an annual salary of $235,000 and is eligible to receive a performance bonus based on a target amount of 30% of her base salary, as determined by our board of directors based upon the achievement of performance objectives mutually agreed upon by Ms. Pruette and our board of directors.

Dr. Ribeill, Mr. Osborne and Ms. Pruette are also entitled to certain severance payments and benefits under their respective employment agreements, the terms of which are described above.

Equity Incentive Plans

The principal features of our equity incentive plans are summarized below. These summaries are qualified in their entirety by reference to the actual text of the plans, which are filed as exhibits to the registration statement of which this prospectus is a part.

2014 Equity Incentive Plan

Our board of directors adopted the 2014 Equity Incentive Plan, or the 2014 Plan, on February 11, 2014, and we expect our stockholders will approve the 2014 Plan prior to the closing of this offering. We expect that the 2014 Plan will become effective on the date the registration statement of which this

prospectus forms a part is declared effective by the SEC. The 2014 Plan will be the successor to and continuation of our 2009 Stock Option Plan, or the 2009 Plan, which is described below. Once the 2014 Plan becomes effective, no further grants will be made under the 2009 Plan.

Stock Awards. The 2014 Plan provides for the grant of incentive stock options, nonstatutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards and other forms of equity compensation (collectively, stock awards), all of which may be granted to eligible employees, non-employee directors and consultants of us and our affiliates. Additionally, the 2014 Plan provides for the grant of performance cash awards. Incentive stock options may be granted only to our employees. All other awards may be granted to employees and to non-employee directors and consultants.

Share Reserve. Initially, the aggregate number of shares of our common stock that may be issued pursuant to stock awards under the 2014 Plan after the 2014 Plan becomes effective is the sum of: (1) 1,312,500 shares; (2) the number of shares reserved for issuance under our 2009 Plan at the time the 2014 Plan becomes effective; and (3) any shares subject to outstanding stock options or other stock awards that would have otherwise returned to our 2009 Stock Option Plan (such as upon the expiration or termination of a stock option granted under such plan prior to vesting). Additionally, the number of shares of our common stock reserved for issuance under the 2014 Plan will automatically increase on January 1 of each year, beginning on January 1, 2015 (assuming the 2014 Plan becomes effective in 2014) and continuing through and including January 1, 2024, by 4.0% of the total number of shares of our capital stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares as determined by our board of directors. The maximum number of shares that may be issued upon the exercise of incentive stock options under our 2014 Plan is 18,750,000 shares.

The maximum number of shares of our common stock subject to stock awards granted during a single fiscal year to any non-employee director, taken together with any cash fees paid to such non-employee director during the fiscal year, shall not exceed $2,000,000 in total value (calculating the value of any such stock awards based on the grant date fair value of such stock awards for financial reporting purposes and excluding, for this purpose, the value of any dividend equivalent payments paid pursuant to any stock award granted in a previous fiscal year).

If a stock award granted under the 2014 Plan expires or otherwise terminates without all of the shares covered by the stock award having been issued, or is settled in cash, the shares of our common stock not acquired pursuant to the stock award again will become available for subsequent issuance under the 2014 Plan. In addition, the following types of shares under the 2014 Plan may become available for the grant of new stock awards under the 2014 Plan: (1) shares that are forfeited to or repurchased by us prior to become fully vested; (2) shares withheld to satisfy income or employment withholding taxes; or (3) shares used to pay the exercise price or purchase price of a stock award. Shares issued under the 2014 Plan may be previously unissued shares or reacquired shares bought by us on the open market. As of the date hereof, no awards have been granted and no shares of our common stock have been issued under the 2014 Plan.

Administration. Our board of directors, or a duly authorized committee of our board of directors, has the authority to administer the 2014 Plan as the plan administrator. Our board of directors may also delegate to one or more of our officers the authority to (1) designate employees (other than other officers) to be recipients of certain stock awards and (2) determine the number of shares of common stock to be subject to such stock awards. Subject to the terms of the 2014 Plan, our board of directors or the authorized committee, referred to herein as the plan administrator, determines recipients, dates of grant, the numbers and types of stock awards to be granted and the terms and conditions of the stock awards, including the period of their exercisability and the vesting schedule applicable to a stock award. Subject to the limitations set forth below, the plan administrator will also determine the exercise price, strike price or purchase price of awards granted and the types of consideration to be paid for the award.

The plan administrator has the authority to modify outstanding awards under the 2014 Plan. Subject to the terms of our 2014 Plan, the plan administrator has the authority to reduce the exercise, purchase or strike price of any outstanding stock award, cancel any outstanding stock award in exchange for new stock awards, cash or other consideration, or take any other action that is treated as a repricing under generally accepted accounting principles, with the consent of any adversely affected participant.

Stock Options. Incentive stock options and nonstatutory stock options are granted pursuant to stock option agreements adopted by the plan administrator. The plan administrator determines the exercise price for stock options, within the terms and conditions of the 2014 Plan, provided that the exercise price of a stock option generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Options granted under the 2014 Plan vest at the rate specified by the plan administrator.

The plan administrator determines the term of stock options granted under the 2014 Plan, which term may be for a maximum of 10 years. Unless the terms of the option holder's stock option agreement provide otherwise, if an option holder's service relationship with us, or any of our affiliates, ceases for any reason other than disability, death or cause, the option holder may generally exercise any vested options for a period of three months following the option holder's cessation of service. The option term may be extended in the event that exercise of the option or sale of the underlying shares following such a termination of service is prohibited by applicable securities laws or by our insider trading policy. If an option holder's service relationship with us or any of our affiliates ceases due to disability or death, or an option holder dies within a specified period following cessation of service, the option holder or a beneficiary may generally exercise any vested options for a period of twelve months in the event of disability and 18 months in the event of death. In the event of a termination for cause, options generally terminate immediately upon the termination of the individual's service for cause. In no event may an option be exercised 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 the following methods: (1) cash, check, bank draft or money order; (2) a broker-assisted cashless exercise procedure; (3) the tender of shares of our common stock previously owned by the option holder; (4) if the option is a nonstatutory stock option, by a net exercise arrangement; and (5) other legal consideration approved by the plan administrator and set forth in the applicable award agreement.

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 option holder may designate a beneficiary, however, who may exercise the option following the option holder's death.

Tax Limitations on Incentive Stock Options. The aggregate fair market value, determined at the time of grant, of our common stock with respect to incentive stock options that are exercisable for the first time by an option holder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as nonstatutory stock options. No incentive stock option may be granted to any person who, at the time of grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our affiliates unless (1) 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 (2) the term of the incentive stock option does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards are granted pursuant to restricted stock unit award agreements adopted by the plan administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally,

dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, restricted stock units that have not vested will be forfeited upon the participant's cessation of continuous service for any reason.

Restricted Stock Awards. Restricted stock awards are granted pursuant to restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in consideration for cash, check, bank draft or money order, past services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator determines the terms and conditions of restricted stock awards, including vesting and forfeiture restrictions. If a participant's service relationship with us ceases for any reason, we may receive through a forfeiture condition or a repurchase right any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us.

Stock Appreciation Rights. Stock appreciation rights are granted pursuant to stock appreciation grant agreements adopted by the plan administrator. The plan administrator determines the purchase price or strike price for a stock appreciation right, which generally cannot be less than 100% of the fair market value of our common stock on the date of grant. Upon the exercise of a stock appreciation right, we will pay the participant an amount equal to the product of (1) the excess, if any, of the per share fair market value of our common stock on the date of exercise over the purchase price or strike price, and (2) the number of shares of common stock with respect to which the stock appreciation right is exercised. This amount may be paid in shares of our common stock, in cash, in any combination of cash and shares of our common stock or in any other form of consideration, as determined by the plan administrator and set forth in the award agreement. A stock appreciation right granted under the 2014 Plan vests at the rate specified in the stock appreciation right agreement as determined by the plan administrator.

The plan administrator determines the term of stock appreciation rights granted under the 2014 Plan, which may be up to a maximum of 10 years. Unless the terms of a participant's stock appreciation right agreement provides otherwise, if a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability or death, the participant may generally exercise any vested stock appreciation right for a period of three months following the cessation of service. The term of the stock appreciation right may be further extended in the event that exercise of the stock appreciation right following such a termination of service is prohibited by applicable securities laws or by our insider trading policy. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant (or, if applicable, a beneficiary) may generally exercise any vested stock appreciation right for a period of twelve months in the event of disability and 18 months in the event of death. In the event of a termination for cause, stock appreciation rights generally terminate immediately upon the occurrence of the event giving rise to the termination of the individual's service for cause. In no event may a stock appreciation right be exercised beyond the expiration of its term.

Other Stock Awards. The plan administrator may grant other awards based in whole or in part by reference to our common stock. The plan administrator will set the number of shares under the stock award and all other terms and conditions of such awards.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to (1) the class and maximum number of shares reserved for issuance under the 2014 Plan, (2) the class and maximum number of shares by which the share reserve may increase automatically each year, (3) the class and maximum number of shares that may be issued upon the exercise of incentive stock options, (4) the class and maximum number of shares subject to stock awards that can be granted in a calendar year (as

established under the 2014 Plan pursuant to Section 162(m) of the Internal Revenue Code), and (5) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transaction. Unless otherwise provided in an award agreement or any other written agreement between us and a participant, in the event of a corporate transaction, the plan administrator will take any one or more of the following actions with respect to outstanding stock awards, contingent upon the closing of the corporate transaction:

- arrange for the surviving corporation or acquiring corporation (or its parent) to assume or continue outstanding stock awards or substitute a similar award for such stock award;
- arrange for the assignment or lapse of any reacquisition or repurchase rights;
- accelerate the vesting, in whole or in part, of stock awards to a date prior to the effective time of a corporate transaction, with such stock award terminating if not exercised (if applicable) at or prior to the effective time of such corporate transaction;
- cancel outstanding awards in exchange for consideration, if any, as the plan administrator determines appropriate; and
- cancel or arrange for the cancellation of the stock award, to the extent not vested or not exercised prior to the effective time of a corporate transaction, in exchange for a payment, in such form as determined by the plan administrator, equal to the excess (if any) of the value of the property the participant would have received upon exercise of the stock award immediately prior to the effective time of the corporate transaction over any exercise price payable by the participant in connection with the exercise.

The plan administrator need not take the same action or actions with respect to all stock awards or portions thereof or with respect to all participants.

Under the 2014 Plan, a corporate transaction generally occurs upon the consummation of: (1) a sale or other disposition of all or substantially all of our assets; (2) a sale or other disposition of at least 90% of our outstanding securities; (3) a merger, consolidation or similar transaction following which we are not the surviving corporation; or (4) a merger, consolidation or similar transaction following which we are the surviving corporation but the shares of our common stock outstanding immediately prior to the transaction are converted or exchanged into other property by virtue of the transaction.

Change of Control. The plan administrator may provide, in an individual award agreement or in any other written agreement between a participant and us that the stock award will be subject to additional acceleration of vesting and exercisability in the event of a change of control. Under the 2014 Plan, a change of control generally occurs upon: (1) the acquisition by a person or entity of more than 50% of our combined voting power, other than by merger, consolidation or similar transaction (and excluding the acquisition of our securities by certain individuals or affiliates, as set forth in the 2014 Plan); (2) a consummated merger, consolidation or similar transaction immediately after which our stockholders cease to own more than 50% of the combined voting power of the surviving entity; (3) a consummated sale, lease, exclusive license or other disposition of all or substantially all of our consolidated assets; or (4) individuals who constitute our incumbent board of directors cease to constitute at least a majority of our board of directors.

Amendment and Termination. Our board of directors generally has the authority to amend, suspend or terminate our 2014 Plan at any time, provided that except in specified circumstances, no such action may be taken without such participant's written consent if it would materially impair the existing rights of any participant. No incentive stock options may be granted after the tenth anniversary of the date on which our board of directors adopted our 2014 Plan.

2009 Stock Option Plan

Our board of directors adopted the 2009 Stock Option Plan, or the 2009 Plan, on October 22, 2009. Our 2009 Plan provides for the grant of incentive stock options to our employees, and for the grant of nonstatutory stock options to our employees, directors and consultants.

Our 2014 Plan, which is described above, will become effective on the date the registration statement of which this prospectus forms a part is declared effective by the SEC. We will not grant any additional options under our 2009 Plan following the date on which the 2014 Plan becomes effective. However, any outstanding options granted under the 2009 Plan will remain outstanding, subject to the terms of our 2009 Plan, and the applicable stock option agreements, until such outstanding options are exercised or until they terminate or expire by their terms.

Authorized Shares. As of February 28, 2014, the maximum number of shares of our common stock that may be issued under our 2009 Plan is 954,327 shares, which includes (1) 557,797 shares of our common stock issuable upon the exercise of outstanding options, (2) 385,843 shares of our common stock that are issuable upon the exercise of outstanding options under the 1999 Plan that may become available for grant under the 2009 Plan upon termination, surrender or cancellation without having been exercised in full, and (3) 10,687 shares of our common stock reserved for further issuance under the 2009 Plan.

Plan Administration. Our board of directors or a duly authorized committee of our board of directors administers our 2009 Plan. Subject to the terms of our 2009 Plan, the plan administrator has the authority to select the employees, directors and consultants to whom options may be granted, determine the terms of the options (including the vesting schedule), the number of shares of common stock subject to options, the exercise price, the form of consideration payable upon exercise of the options, and the terms of the award agreements for use under our 2009 Plan. Our board of directors may, at any time, provide that any option will become immediately exercisable in full or in part. In addition, our board of directors may, without stockholder approval, (1) amend any outstanding option granted to provide an exercise price per share that is lower than the then-current exercise price of the outstanding option (provided that the amended exercise price is at least equal to the then-current fair market value) and (2) cancel any outstanding option and grant in substitution new options covering the same or a different number of shares of our common stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled option.

Stock Options. Each option is evidenced by an option award agreement and must be granted with an exercise price at least equal to 100% of the fair market value of our common stock on the date the option is granted (or at least 110% of the fair market value if the option is an incentive stock option granted to a participant who owns more than 10% of the total combined voting power of all classes of our outstanding stock, or a ten percent stockholder). Incentive stock options granted to ten percent stockholders may not have a term greater than five years.

Options may be exercised at such times and subject to such terms and conditions as specified in the applicable option agreement. The exercise price of an option may be paid as follows: (1) in cash or by check; (2) to the extent approved by our board of directors, in its sole discretion, provided our shares are registered under the Exchange Act through a broker-assisted exercise procedure; (3) by delivery of shares of our common stock previously owned by the participant; (4) to the extent approved by our board of directors, by delivery of a promissory note or by payment of other lawful consideration; or (5) by any combination of the above permitted forms of payment.

A participant must satisfy all applicable federal, state and local or other income and employment tax withholding obligations before we will deliver stock certificates or otherwise recognize ownership of our

common stock under an option. If provided for in an option or approved by our board of directors, a participant may satisfy any tax withholding obligations in whole or in part by delivery of shares of our common stock, including shares retained from an option creating the tax obligation.

Termination of Service. Our board of directors will determine the effect on an option of the disability, death, termination of employment, authorized leave of absence or other change in the employment or other status of a participant and the extent to which, and the period during which, the participant (or the participant's legal representative) may exercise rights under the option following any such change in employment or status.

Capitalization Adjustments. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, or other similar change in capitalization or event, or any dividend or distributions to holders of our common stock other than an ordinary cash dividend, our board of directors will equitably adjust (1) the number and class of securities available under the 2009 Plan, and (2) the number and class of securities and the exercise price per share of each outstanding option.

Change in Control. In the event of a change in control, any then unexercisable portion of an outstanding option will become immediately exercisable as of a date prior to, but conditioned upon, the change in control, determined by our board of directors, except to the extent that (1) the option is either to be assumed by, or substituted with a comparable option to purchase shares of, the successor corporation (or parent thereof), (2) the option is to be replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested option at the time of the change in control and provides for subsequent payout in accordance with the same vesting schedule applicable to the option, or (3) the acceleration of the option is subject to other limitations imposed by our board of directors at the time the option was granted. Our board of directors may provide that any options which become exercisable solely by reason of these provisions and remain unexercised will terminate effective as of the date of the change in control. For purposes of the 2009 Plan, a change in control will be deemed to have occurred upon the consummation of a merger, consolidation, corporate reorganization, or sale or transfer of substantially all of our assets or stock (other than a reincorporation transaction or one in which the holders of our capital stock immediately prior to the merger or consolidation continue to hold at least a majority of the voting power of the surviving corporation).

Transferability. Unless otherwise provided by our board of directors, options may not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution or, other than in the case of an incentive stock option, pursuant to a qualified domestic relations order. During the life of a participant, an option will be exercisable only by the participant.

Amendment and Termination. Our board of directors may amend, modify or terminate any outstanding option, provided that no such action may materially and adversely affect the participant without such participant's consent. No options may be granted under the 2009 Plan after the expiration of 10 years from the earlier of: (1) the date on which the 2009 Plan was adopted by our board of directors; and (2) the date on which the 2009 Plan was approved by our stockholders. Our board of directors generally may amend, suspend or terminate the 2009 Plan or any portion thereof at any time; *provided*, that to the extent that any amendment requires stockholder approval, the 2009 Plan may not be so amended without such approval.

1999 Stock Option Plan

Our board of directors adopted the Stock Option Plan, or the 1999 Plan, on November 4, 1999. The 1999 Plan was last amended by our board of directors on April 23, 2009 and approved by our stockholders on May 28, 2009. Our 1999 Plan provides for the grant of incentive stock options to our employees, and for the grant of nonstatutory stock options to our employees, directors and consultants.

Our 1999 Plan expired by its terms in November 2009, and we have not granted any options under our 1999 Plan since such date. However, outstanding options granted under the 1999 Plan remain subject to the terms of our 1999 Plan until such options are exercised or until they terminate or expire by their terms.

Authorized Shares. As of February 28, 2014, there were 385,843 shares of our common stock issuable upon the exercise of outstanding options under our 1999 Plan.

Plan Administration. Our board of directors or a duly authorized committee of our board of directors administers outstanding options granted our 1999 Plan.

Stock Options. The 1999 Plan authorized the grant of incentive stock options to eligible employees and nonstatutory stock options to eligible employees, directors and consultants. Each option was evidenced by an option award agreement and was granted with an exercise price determined by our board of directors, which, for incentive stock options, was required to be at least 100% of the fair market value of our common stock on the date the option was granted (or at least 110% of the fair market value, if granted to a participant who owned more than 10% of the total combined voting power of all classes of our outstanding stock, or a ten percent stockholder). The term of any option granted under the 1999 Plan was established by our board of directors, except that no incentive stock option was granted with a term greater than ten years after the date of grant (or five years, if granted to a ten percent stockholder). Payment of the exercise price may be made in cash, by check, cash equivalent or in any other form as may be permitted by our board of directors.

Termination of Service. An option will terminate and cease to be exercisable no later than three months after the date on which an option holder terminates employment or service with us, except that if an option holder's employment or service terminates due to death (including, if the option holder dies within three months following the option holder's termination of employment) or disability, then such option will terminate and cease to be exercisable no later than twelve months from the date of death or disability. Notwithstanding the foregoing, no incentive stock option may be exercised after the date the option holder's employment with us is terminated for cause (as determined in the sole discretion of our board of directors).

Capitalization Adjustments. In the event of a stock dividend, stock split, reverse stock split, combination, reclassification or like change in our capital structure, our board of directors will make appropriate adjustments in the number and class of shares of stock subject to the 1999 Plan and to any outstanding options and the exercise price of any outstanding options.

Transfer of Control. In the event of a transfer of control, any then unexercisable portion of an outstanding option will become immediately exercisable as of a date prior to, but conditioned upon, the transfer of control, determined by our board of directors, except to the extent that (1) the option is either to be assumed by, or substituted with a comparable option to purchase shares of, the successor corporation (or parent thereof), (2) the option is to be replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested option at the time of the transfer of control and provides for subsequent payout in accordance with the same vesting schedule applicable to the option, or (3) the acceleration of the option is subject to other limitations imposed by our board of directors at the time the option was granted. Our board of directors may provide that any options which become exercisable solely by reason of these provisions and remain unexercised will terminate effective as of the date of the transfer of control. For purposes of the 1999 Plan, a transfer of control means a merger, consolidation, corporate reorganization, or sale or transfer of substantially all of our assets or stock (other than a reincorporation transaction or one in which the holders of our capital stock immediately prior to the merger or consolidation continue to hold at least a majority of the voting power of the surviving corporation).

Transferability. No option may be assignable or transferable by an option holder, except by will or by the laws of descent and distribution. During the lifetime of an option holder, an option will be exercisable only by the option holder.

Amendment: Termination. Our board of directors has the authority to amend the terms of an option at any time; provided, that no amendment may adversely affect any then-outstanding option or any unexercised portion of an option without the consent of the option holder (unless the amendment is required to enable an option designated as incentive stock option to so qualify).

2014 Employee Stock Purchase Plan

Our board of directors adopted the 2014 Employee Stock Purchase Plan, or ESPP, on February 11, 2014, and we expect our stockholders to approve the ESPP prior to the closing of this offering. The purpose of the ESPP is to secure the services of new employees, to retain the services of existing employees and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. The ESPP is intended to qualify as an "employee stock purchase plan" within the meaning of Section 423 of the Internal Revenue Code.

Share Reserve. Following this offering, the ESPP authorizes the issuance of 243,750 shares of our common stock pursuant to purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock reserved for issuance will automatically increase on January 1 of each calendar year, from January 1, 2015 (assuming the ESPP becomes effective in 2014) through January 1, 2024, by the least of (1) 0.8% of the total number of shares of our common stock outstanding on December 31 of the preceding calendar year, and (2) 150,000 shares; *provided*, that prior to the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (1) and (2). As of the date hereof, no shares of our common stock have been purchased under the ESPP.

Administration. Our board of directors has the authority administer the ESPP. The ESPP is implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under the ESPP, we may specify offerings with durations of not more than 27 months, and may specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. We currently intend to have twenty-four month offerings with four purchase periods (of approximately six months in duration) per offering, except that the first purchase period under our first offering may be shorter or longer than six months, depending on the date on which the underwriting agreement relating to this offering becomes effective it is intended that offerings will be concurrent. An offering under the ESPP may be terminated under specified circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, may participate in the ESPP and may contribute, normally through payroll deductions, up to 15% of their earnings (as defined in the ESPP) for the purchase of our common stock under the ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in the ESPP at a price per share equal to the lower of (a) 85% of the fair market value of a share of our common stock on the first date of an offering or (b) 85% of the fair market value of a share of our common stock on the date of purchase. For the initial offering, which we expect will commence upon the execution and delivery of the underwriting agreement relating to this offering, the fair market value on the first day of the offering period will be the price at which shares are first sold to the public.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in the ESPP, as determined by our board of directors, including: (1) being customarily employed for more than 20 hours per week; (2) being customarily employed for more than five months per calendar year; or (3) continuous employment with us or one of our affiliates for a period of time (not to

exceed two years). No employee may purchase shares under the ESPP at a rate in excess of $25,000 worth of our common stock based on the fair market value per share of our common stock at the beginning of an offering for each year a purchase right is outstanding. During any purchase period, the maximum number of shares an employee may purchase on a purchase date is 1,875. Finally, no employee will be eligible for the grant of any purchase rights under the ESPP if immediately after the rights are granted, the employee has voting power over 5% or more of our outstanding capital stock measured by vote or value pursuant to Section 424(d) of the Internal Revenue Code.

Changes to Capital Structure. In the event that there occurs a change in our capital structure through actions such as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or similar transaction, the board of directors will make appropriate adjustments to (1) the number of shares reserved under the ESPP, (2) the maximum number of shares by which the share reserve may increase automatically each year, (3) the number of shares and purchase price of all outstanding purchase rights, and (4) the number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. In the event of certain significant corporate transactions, including: (1) a sale of all or substantially all of our assets; (2) the sale or disposition of 90% of our outstanding securities; (3) the consummation of a merger or consolidation where we do not survive the transaction; and (4) the consummation of a merger or consolidation where we do survive the transaction but the shares of our common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction, any then-outstanding rights to purchase our stock under the ESPP may be assumed, continued or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue or substitute for the purchase right, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within 10 business days prior to the corporate transaction, and the purchase rights will terminate immediately.

ESPP Amendment; Termination. Our board of directors has the authority to amend or terminate our ESPP, provided that except in certain circumstances any such amendment or termination may not materially impair any outstanding purchase rights without the holder's consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

401(k) Plan

We maintain a tax-qualified retirement plan that provides eligible U.S. employees with an opportunity to save for retirement on a tax advantaged basis. Eligible employees are able to defer eligible compensation subject to applicable annual Internal Revenue Code limits. We have the ability to make discretionary contributions to the 401(k) plan and currently provide a $0.50 match for every dollar our employees elect to defer up to 6% of their eligible compensation. Employees' pre-tax contributions are allocated to each participant's individual account and are then invested in selected investment alternatives according to the participants' directions. Employees are immediately and fully vested in their contributions, and matching contributions made by us vest in four equal annual installments over a period of four years. The 401(k) plan is intended to be qualified under Section 401(a) of the Internal Revenue Code with the 401(k) plan's related trust intended to be tax exempt under Section 501(a) of the Internal Revenue Code. As a tax-qualified retirement plan, contributions to the 401(k) plan and earnings on those contributions are not taxable to the employees until distributed from the 401(k) plan.

Limitation on Liability and Indemnification Matters

Upon the closing of this offering, our amended and restated certificate of incorporation will contain provisions that limit the liability of our current and former directors for monetary damages to the fullest extent permitted by Delaware law. Delaware law provides that directors of a corporation will not be personally liable for monetary damages for any breach of fiduciary duties as directors, except liability for:

- any breach of the director's duty of loyalty to us or our stockholders;
- any 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; or
- any transaction from which the director derived an improper personal benefit.

Such limitation of liability does not apply to liabilities arising under federal securities laws and does not affect the availability of equitable remedies, such as injunctive relief or rescission.

Our amended and restated certificate of incorporation and our amended and restated bylaws that will become effective immediately upon completion of this offering will provide that we are required to indemnify our directors and executive officers to the fullest extent permitted by Delaware law. Our amended and restated bylaws will also provide that, upon satisfaction of certain conditions, we shall advance expenses incurred by a director or executive officer in advance of the final disposition of any action or proceeding, and permit us to secure insurance on behalf of any officer, director, employee or other agent for any liability arising out of his or her actions in that capacity regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our other officers and employees when determined appropriate by our board of directors. We have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. With certain exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain customary directors' and officers' liability insurance.

The limitation on 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 our directors for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and other stockholders. Further, a stockholder's investment may be adversely affected to the extent that we pay the costs of settlement and damage awards against directors and officers as required by these indemnification provisions. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought and we are not aware of any threatened litigation that may result in claims for indemnification.

TRANSACTIONS WITH RELATED PERSONS

Other than compensation arrangements, we describe below transactions and series of similar transactions, since January 1, 2011, to which we were a party or will be a party, in which:

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

Compensation arrangements for our directors and named executive officers are described elsewhere in this prospectus.

Series D-2 Preferred Stock Financing

In December 2013, we sold 1,785,712 shares of our Series D-2 preferred stock and warrants exercisable for 446,427 shares of our common stock to five of our existing investors for aggregate proceeds of $2.5 million, which we refer to as our 2013 financing, as follows.

Purchasers(1)	Shares Purchased	Warrant Shares	Aggregate Purchase Price
Alta BioPharma Partners II, LP(2)	1,205,648	301,412	$ 1,687,907.20
Alta Embarcadero BioPharma Partners II, LLC(2)	44,352	11,088	62,092.80
F.C.P.R. Genavent	71,428	17,857	99,999.20
FCPR Biotechnology Fund(3)	107,142	26,785	149,998.80
Ventech Capital II(4)	357,142	89,285	499,998.80

(1) See “Principal Stockholders” for more information about these directors, executive officers, holders of more than 5% of our capital stock, and their affiliates.
(2) Entities affiliated with Alta BioPharma Partners II, LP (“ABP II”) and Alta Embarcadero BioPharma Partners II, LLC (“AEBP II”) are holders of more than 5% of our capital stock. Dr. Penhoet, a member of our board of directors, is a director of Alta BioPharma Management II, LLC, the general partner of ABP II and manager of AEBP II.
(3) FCPR Biotechnology Fund is a holder of more than 5% of our capital stock. Dr. Nothias, a member of our board of directors, is a member of the investment board of FCPR Biotechnology Fund.
(4) Ventech Capital II is a holder of more than 5% of our capital stock. Dr. Chaoui, a member of our board of directors, is a venture partner of Ventech Capital II.

In January 2014, in connection with our 2013 financing, we sold 379,284 shares of our Series D-2 Preferred Stock and warrants exercisable for 94,820 shares of our common stock to two members of our board of directors and our chief executive officer, as follows:

Purchasers (1)	Shares Purchased	Warrant Shares	Aggregate Purchase Price
Pamela Kirby, Ph.D.	260,000	65,000	$ 364,000.00
DFC Langlois(2)	107,142	26,785	$ 149,998.80
Yves J. Ribeill, Ph.D.	12,142	3,035	$ 16,998.80

(1) See “Principal Stockholders” for more information about these directors and executive officers.
(2) Patrick J. Langlois, Ph.D. is a member of our board of directors and is the general partner of DFC Langlois.

In December 2013, we issued 6,054,255 shares of Series D-1 preferred stock and 3,956,985 shares of Series D-2 preferred stock in connection with the conversion of all outstanding principal and interest on the convertible promissory notes previously issued in our 2011 bridge financing and 2013 bridge financing, each as described below. In addition, pursuant to the terms of our 2011 bridge financing and 2013 bridge financing, we issued warrants exercisable for 408,688 shares and 453,845 shares of our common stock, respectively, with an exercise price of $0.04 per share. The following table sets forth the aggregate number of shares our Series D-1 preferred stock, Series D-2 preferred stock and warrants exercisable for shares of our common stock issued to our directors, executive officers, holders of more than 5% of our capital stock, and their affiliates in connection with the conversion of all outstanding principal and interest on the convertible promissory notes issued in our 2011 bridge financing and our 2013 bridge financing, as follows:

Purchasers(1)	Series D-1 Shares	Series D-2 Shares	Warrant Shares
Alta BioPharma Partners II, LP(2)	1,024,876	211,667	165,536
Alta Embarcadero BioPharma Partners II, LLC(2)	37,702	9,563	6,165
Burrill Biotechnology Capital Fund(3)	885,481	94,712	42,856
F.C.P.R. Genavent	955,215	270,028	53,570
FCPR Biotechnology Fund(4)	863,672	516,738	159,382
Ventech Capital II(5)	809,584	2,653,665	276,466
S.R. One, Limited	762,944	185,570	125,513

(1) See “Principal Stockholders” for more information about these directors, executive officers, holders of more than 5% of our capital stock, and their affiliates.

(2) Entities affiliated with Alta BioPharma Partners II, LP (“ABP II”) and Alta Embarcadero BioPharma Partners II, LLC (“AEBP II”) are holders of more than 5% of our capital stock. Dr. Penhoet, a member of our board of directors, is a director of Alta BioPharma Management II, LLC, the general partner of ABPII and manager of AEBP II.

(3) Burrill Biotechnology Capital Fund, L.P. is a holder of more than 5% of our capital stock. Dr. Hanham, a member of our board of directors, is a former Managing Director and General Partner with Burrill & Company, an affiliate of Burrill Biotechnology Capital Fund, L.P.

(4) FCPR Biotechnology Fund is a holder of more than 5% of our capital stock. Dr. Nothias, a member of our board of directors, is a member of the investment board of FCPR Biotechnology Fund.

(5) Ventech Capital II is a holder of more than 5% of our capital stock. Dr. Chaoui, a member of our board of directors, is a venture partner of Ventech Capital II.

Convertible Note and Warrant Issuances

In December 2011, January 2012 and May 2012, we collectively issued and sold (a) an aggregate principal amount of $11.4 million of convertible promissory notes and (b) warrants to purchase an aggregate of 132,679 shares of our common stock with an exercise price of $0.04 per share, to eleven investors, which we refer to as our 2011 bridge financing. In connection with our 2013 financing, these warrants were adjusted to be exercisable for an aggregate of 408,688 shares of our common stock with no additional proceeds to us. The following table sets forth the aggregate principal amount of such convertible promissory notes and warrants exercisable for shares of our common stock issued to our directors, executive officers, holders of more than 5% of our capital stock, and their affiliates:

Purchasers(1)	Principal Amount of Notes	Initial Warrant Shares	Warrant Shares After Adjustment
Alta BioPharma Partners II, LP(2)	$ 1,300,000	15,072	46,428
Alta Embarcadero BioPharma Partners II, LLC(2)	50,000	578	1,784
Burrill Biotechnology Capital Fund, L.P.(3)	1,200,000	13,912	42,856
F.C.P.R. Genavent	1,500,000	17,390	53,570
FCPR Biotechnology Fund(4)	1,500,000	17,390	53,570
Ventech Capital II(5)	4,000,000	46,376	142,856
S.R. One, Limited	1,000,000	11,596	35,714

(1) See “Principal Stockholders” for more information about these directors, executive officers, holders of more than 5% of our capital stock, and their affiliates.

(2) Entities affiliated with Alta BioPharma Partners II, LP (“ABP II”) and Alta Embarcadero BioPharma Partners II, LLC (“AEBP II”) are holders of more than 5% of our capital stock. Dr. Penhoet, a member of our board of directors, is a managing director of Alta BioPharma Management II, LLC, the general partner of ABPII and manager of AEBP II.

(3) Burrill Biotechnology Capital Fund, L.P. is a holder of more than 5% of our capital stock. Dr. Hanham, a member of our board of directors, is a former Managing Director and General Partner with Burrill & Company, an affiliate of Burrill Biotechnology Capital Fund, L.P.

(4) FCPR Biotechnology Fund is a holder of more than 5% of our capital stock. Dr. Nothias, a member of our board of directors, is a member of the investment board of FCPR Biotechnology Fund.

(5) Ventech Capital II is a holder of more than 5% of our capital stock. Dr. Chaoui, a member of our board of directors, is a venture partner of Ventech Capital II.

In June 2013, we issued and sold an aggregate principal amount of $899,053 of convertible promissory notes to six investors, which we refer to as our 2013 bridge financing. The following table sets forth the aggregate principal amount of such convertible promissory notes and warrants issued on December 11, 2013, pursuant to the 2013 bridge financing and exercisable for shares of our common stock issued to our directors, executive officers, holders of more than 5% of our capital stock, and their affiliates:

Purchaser(1)	Principal Amount of Notes	Warrant Shares
Alta BioPharma Partners II, LP(2)	$ 235,949	119,108
Alta Embarcadero BioPharma Partners II, LLC(2)	8,680	4,381
FCPR Biotechnology Fund(3)	209,609	105,812
Ventech Capital II(4)	264,676	133,610
S.R. One, Limited	177,889	89,799

(1) See "Principal Stockholders" for more information about these directors, executive officers, holders of more than 5% of our capital stock, and their affiliates.
(2) Entities affiliated with Alta BioPharma Partners II, LP ("ABP II") and Alta Embarcadero BioPharma Partners II, LLC ("AEBP II") are holders of more than 5% of our capital stock. Dr. Penhoet, a member of our board of directors, is a director of Alta BioPharma Management II, LLC, the general partner of ABP II and manager of AEBP II.
(3) FCPR Biotechnology Fund is a holder of more than 5% of our capital stock. Dr. Nothias, a member of our board of directors, is a member of the investment board of FCPR Biotechnology Fund.
(4) Ventech Capital II is a holder of more than 5% of our capital stock. Dr. Chaoui, a member of our board of directors, is a venture partner of Ventech Capital II.

Investor Rights Agreement

We are party to an investor rights agreement that provides holders of our convertible preferred stock and shares of our common stock into which those shares will be converted at the closing of this offering, including certain holders of 5% of our capital stock and entities affiliated with certain of our directors, with certain registration rights, including the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. The investor rights agreement also provides for a right of first refusal in favor of certain holders of our stock with regard to certain issuances of our capital stock. The rights of first refusal will not apply to, and will terminate upon, closing of this offering. For a more detailed description of these registration rights, see the section of this prospectus titled "Description of Capital Stock—Registration Rights."

Voting Agreement

We are party to a voting agreement under which certain holders of our capital stock, including certain holders of 5% of our capital stock and entities affiliated with certain of our directors, have agreed to vote in a certain way on certain matters, including with respect to the election of directors. Upon the closing of this offering, the voting agreement will terminate and none of our stockholders will have any special rights regarding the election or designation of members of our board of directors.

Right of First Refusal and Co-Sale Agreement

We are party to a right of first refusal and co-sale agreement with holders of our convertible preferred stock and our founders, including certain holders of 5% of our capital stock and entities affiliated with certain of our directors, pursuant to which the holders of convertible preferred stock have a right of first refusal and co-sale in respect of certain sales of securities by our founders. Upon the closing of this offering, the right of first refusal and co-sale agreement will terminate.

Indemnification Agreements

Our amended and restated certificate of incorporation, which will be effective upon the closing of this offering, will contain provisions limiting the liability of directors, and our amended and restated bylaws will provide that we will indemnify each of our directors and executive officers to the fullest extent permitted under Delaware law. Our amended and restated certificate of incorporation and amended and restated bylaws will also provide our board of directors with discretion to indemnify our other officers and employees when determined appropriate by our board of directors. In addition, we have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. For more information regarding these agreements, see the section of this prospectus titled "Executive Compensation—Limitations on Liability and Indemnification Matters."

Change in Control Arrangements

We have entered into employment agreements with each of our executive officers that provide certain change in control severance benefits, as described in greater detail in the section of this prospectus titled "Executive Compensation—Change in Control Severance Benefits."

Loan Guarantee and Related Matters with Sanofi and Merial

Sanofi is the parent corporation of Merial, a holder of more than 5% of our capital stock. In connection with our 2010 Credit Agreement with HSBC Bank USA, National Association, in April 2010, we entered into a Stand Alone First Demand Guarantee, which we refer to as the Sanofi Guarantee, and a Reimbursement and General Security Agreement, which we refer to as the Sanofi Reimbursement Agreement, with Sanofi, both of which were amended in March 2013. The Sanofi Guarantee provides that Sanofi has agreed to guarantee our loan obligations under the 2010 Credit Agreement, and the Sanofi Reimbursement Agreement provides that we will reimburse Sanofi for any payment it makes to the lender under the Sanofi Guarantee. In connection with the Sanofi Reimbursement Agreement, we also entered into a side letter in April 2010, which provides that we will either (1) subject to the prior written request of Sanofi, apply the net proceeds of certain capital-raising activities to repay all amounts owed under our 2010 Credit Agreement to fully release Sanofi from its obligations under the Sanofi Guarantee, or (2) provide Sanofi with a waiver from HSBC Bank USA, National Association fully releasing Sanofi from its obligations under the Sanofi Guarantee. The amendments to the Sanofi Guarantee and Sanofi Reimbursement Agreement entered into in March 2013 provide that the terms of these agreements extend until January 30, 2015.

Pursuant to our Series C-2 Preferred Stock Purchase Agreement, dated March 11, 2008, Merial has the right of first negotiation to acquire our animal health services division in the event (a) we are acquired by an entity with an internal insecticide research and development program, (b) we divest our animal health services division to a party with an internal insecticide research program developing products for a competitor of Merial, or (c) we divest our animal health services division as an independent business.

In April 2010, we also entered into a Right of First Negotiation Agreement with Sanofi, which granted Sanofi an exclusive right of first negotiation with respect to intellectual property rights related to SCY-635. This agreement expired on April 9, 2012.

In March 2013, we entered into a Board Observation Rights Agreement with Sanofi and Merial which provides Sanofi and Merial with the right to designate one observer to attend meetings of our board of directors. This agreement was terminated in March 2014.

On March 17, 2014, we entered into an amendment to that certain Addendum to Reimbursement Agreement, dated April 9, 2010, with Sanofi pursuant to which we have agreed to the following; (1) to use $7.5 million of the proceeds raised in connection with this offering to repay a portion of our outstanding loan with HSBC Bank USA, National Association, no later than June 30, 2014, (2) to amend our loan agreement with HSBC Bank USA, National Association to reduce the aggregate amount we may borrow under our credit facility to $7.5 million, no later than June 30, 2014, and (3) to repay all amounts owned to HSBC Bank USA, National Association under our credit facility no later than December 31, 2014. In connection with the amendment, Sanofi has agreed to suspend any rights and claims it may have under the Addendum to Reimbursement Agreement and upon the completion of the matters mentioned in the previous sentence, the Addendum to Reimbursement Agreement shall terminate.

Research Services Agreement with Merial

We entered into a Research Services Agreement with Merial effective in January 2012, under which we perform research services for Merial, including the synthesis, purification, and characterization of

individual or libraries of compounds, phenotypic screening of compounds, and further testing and optimizing of compounds for the use of commercializing animal health products. In 2013, we received $7.4 million from Merial under this agreement. This agreement expires on December 31, 2014. See "Business—Collaborations and Licensing Agreements" for more information.

License Agreement with Aventis

In May 2005, we entered into a license agreement with Aventis Pharma S.A., a leading global healthcare company, pursuant to which Aventis granted us a world-wide license (with a right to sub-license) to certain of Aventis's know-how, compounds and patents concerning cyclosporine derivatives exclusively in the field of treatment and prevention of HIV/AIDS and non-exclusively in all fields outside the treatment and prevention of HIV/AIDS. Aventis was acquired by Sanofi, the parent corporation of Merial, in 2004. This license agreement is further described in the section titled "Business—Collaborations and Licensing Agreements—Aventis."

Engagement Letters with Burrill Securities

In March 2013, we entered into an engagement letter with Burrill Securities, an affiliate of Burrill Biotechnology Capital Fund, L.P., a holder of more than 5% of our capital stock, and an entity with which one of our directors, Dr. Hanham, was affiliated at the time. Pursuant to the letter, we engaged Burrill Securities to assist us with the identification of certain strategic alternatives. Under the letter, we would have owed Burrill Securities a success fee of $1.0 million upon the closing of specified strategic transactions during the term of the letter or within twelve months after the end of the term of the letter. The term of the letter expired on September 6, 2013.

In May 2013, we entered into an engagement letter with Burrill Securities. Pursuant to the letter, we engaged Burrill Securities to assist us with the identification of certain strategic alternatives. Under the letter, we would have owed Burrill Securities a success fee of 5% of the transaction value of any strategic transaction or financing transaction resulting from the engagement and closed during the term of the letter or within twelve months after the end of the term of the letter. The term of the letter expired on November 17, 2013. In December 2013, we entered into an amendment to the engagement letter which provided that notwithstanding anything to the contrary in the engagement letter, in the event we consummate a public offering of our common stock prior to November 17, 2014, we will pay Burrill Securities a success fee of $500,000 as payment in full for all our obligations under the engagement letter.

Participation in This Offering

The following holders of more than 5% of our capital stock have indicated an interest in purchasing shares of our common stock in this offering at the public offering price in varying amounts: Alta BioPharma Partners II, LP and its affiliate, which are affiliated with Edward E. Penhoet, Ph.D., a director of SCYNEXIS; S.R. One, Limited; FCPR Biotechnology Fund, which is affiliated with Jean-Yves Nothias, Ph.D., a director of SCYNEXIS; Ventech Capital and its affiliates, which are affiliated with Mounia Chaoui, Ph.D., a director of SCYNEXIS; and F.C.P.R. Genavent. The aggregate amount that these entities have indicated an interest in purchasing is $4.0 million of shares of our common stock, and each has indicated an interest in purchasing at least $0.1 million of shares of our common stock. In addition, Sanofi has indicated an interest in purchasing 10% of the shares sold in this offering, up to $5.0 million. Because these indications of interest are not binding agreements or commitments to purchase, these stockholders may elect not to purchase any shares in this offering, or the underwriters may elect to sell more, less or any shares to them in this offering.

Policies and Procedures for Related Person Transactions

Our board of directors adopted a policy that our executive officers, directors, nominees for election as a director, beneficial owners of more than 5% of any class of our common stock and any members of the immediate family of any of the foregoing persons are not permitted to enter into a related person transaction with us without the prior consent of our audit committee. Any request for us to enter into a transaction with an executive officer, director, nominee for election as a director, beneficial owner of more than 5% of any class of our common stock or any member of the immediate family of any of the foregoing persons in which the amount involved exceeds $120,000 and such person would have a direct or indirect interest must first be presented to our audit committee for review, consideration and approval. In approving or rejecting any such proposal, our audit committee is to consider the material facts of the transaction, including, but not limited to, whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person's interest in the transaction. We did not have a formal review and approval policy for related party transactions at the time of any of the transactions described above. However, all of the transactions described above were entered into after presentation, consideration and approval by our board of directors.

PRINCIPAL STOCKHOLDERS

The following table sets forth information regarding the beneficial ownership of our common stock as of February 28, 2014, by the following:

- each of our directors and named executive officers;
- all of our directors and executive officers as a group; and
- each person, or group of affiliated persons, who is known by us to beneficially own more than 5% of our common stock.

Beneficial ownership is determined according to the rules of the SEC and generally means that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power of that security, including options and warrants that are currently exercisable or exercisable within 60 days of February 28, 2014. Shares of our common stock issuable pursuant to stock options and warrants are deemed outstanding for computing the percentage of the person holding such options or warrants and the percentage of any group of which the person is a member but are not deemed outstanding for computing the percentage of any other person. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons named in the table below have sole voting and investment power with respect to all shares of common stock shown that they beneficially own, subject to community property laws where applicable. The information does not necessarily indicate beneficial ownership for any other purpose, including for purposes of Section 13(d) and 13(g) of the Securities Exchange Act of 1934, as amended.

Our calculation of the percentage of beneficial ownership prior to this offering is based on 10,333,889 shares of common stock outstanding as of February 28, 2014, assuming the conversion of all outstanding shares of our convertible preferred stock into common stock immediately upon the closing of this offering, as if this conversion had occurred as of February 28, 2014. Our calculation of the percentage of beneficial ownership after this offering is based on 14,564,689 shares of common stock outstanding immediately after the closing of this offering (assuming no exercise of the underwriters' over-allotment option to purchase additional shares of our common stock).

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o SCYNEXIS, Inc., 3501 C Tricenter Boulevard, Durham, North Carolina 27713.

		Percentage of Shares Beneficially Owned	
Name of Beneficial Owner	Number of Shares Beneficially Owned	Before the Offering	After the Offering
5% Stockholders:			
Alta BioPharma Partners II, LP and affiliate(1)	1,970,215	18.21%	13.09%
Burrill Biotechnology Capital Fund, L.P.(2)	998,373	9.62%	6.83%
F.C.P.R. Genavent(3)	1,160,763	11.16%	7.93%
FCPR Biotechnology Fund(4)	1,249,922	11.88%	8.47%
Merial Limited(5)	654,364	6.33%	4.49%
S.R. One, Limited(6)	984,345	9.41%	6.70%
Ventech Capital II(7)	1,969,693	18.41%	13.19%

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage of Shares Beneficially Owned	
		Before the Offering	After the Offering
Named Executive Officers and Directors:			
Yves J. Ribeill, Ph.D.(8)	249,895	2.38%	1.70%
Eileen C. Pruette(9)	13,820	*	*
Charles F. Osborne, Jr.(10)	86,191	*	*
Pamela J. Kirby, Ph.D.(11)	207,000	1.98%	1.41%
Laurent Arthaud(12)	26,250	*	*
Mounia Chaoui, Ph.D.	—	*	*
Ann F. Hanham, Ph.D.	—	*	*
Patrick J. Langlois, Ph.D.(13)	104,820	1.01%	*
Jean-Yves Nothias, Ph.D.(14)	1,249,922	11.88%	8.47%
Edward E. Penhoet, Ph.D.	—	—	—
All executive officers and directors as a group (13 persons) (15)	1,995,897	19.31%	13.70%

* Less than 1% of the outstanding shares of common stock

(1) Consists of shares issuable upon conversion of 570,159 shares of Series C preferred stock, 1,024,876 shares of Series D-1 preferred stock, 1,417,315 shares of Series D-2 preferred stock, and 466,948 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by Alta BioPharma Partners II, LP and shares issuable upon conversion of 20,975 shares of Series C preferred stock, 37,702 shares of Series D-1 preferred stock, 53,915 shares of Series D-2 preferred stock and 17,253 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by Alta Embarcadero BioPharma Partners II, LLC. Alta Partners II, Inc. provides investment advisory services to several venture capital funds, including Alta BioPharma Partners II, L.P. ("ABP II") and Alta Embarcadero BioPharma Partners II, LLC ("AEBP II"). Farah Champsi (known as the "Principal") is the managing director of Alta BioPharma Management II, LLC ("ABM II") (which is the general partner of ABP II), and manager of AEBP II. As managing director and manager of such entities, Ms. Champsi may be deemed to have voting and investment power for the shares held by ABP II and AEBP II. The Principal of Alta Partners II, Inc. disclaims beneficial ownership of all such shares held by ABP II and AEBP II, except to the extent of their proportionate pecuniary interests therein. ABM II disclaims beneficial ownership of all such shares held by ABP II and AEBP II, except to the extent of its pecuniary interest therein. The address for Alta Partners II, Inc. is One Embarcadero Center, 37th Floor, San Francisco, California 94111.

(2) Consists of shares issuable upon conversion of 492,611 shares of Series C preferred stock, 885,481 shares of Series D-1 preferred stock, 94,712 shares of Series D-2 preferred stock, and 42,856 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by Burrill Biotechnology Capital Fund, L.P. ("Burrill Biotechnology"). Voting and investment decisions for Burrill Biotechnology are made by the unanimous vote of G. Steven Burrill and Victor A. Hebert. The address for Burrill Biotechnology is One Embarcadero Center, Suite 2700, San Francisco, California 94111.

(3) Consists of shares issuable upon conversion of 188,679 shares of Series B preferred stock, 342,726 shares of Series C preferred stock, 955,215 shares of Series D-1 preferred stock, 341,456 shares of Series D-2 preferred stock, and 71,427 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by F.C.P.R. Genavent. Voting and

investment decisions for F.C.P.R. Genavent are made by the unanimous vote of Stanislas Cuny, Frederic Exshaw and Amar Douhane. The address for F.C.P.R. Genavent is 90 boulevard Pasteur, CS 21564, Paris Cedex 15, France 75730.

(4) Consists of shares issuable upon conversion of 166,482 shares of Series B preferred stock, 313,996 shares of Series C preferred stock, 863,672 shares of Series D-1 preferred stock, 623,880 shares of Series D-2 preferred stock and 186,167 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by FCPR Biotechnology Fund ("FCPR Biotechnology"). Voting and investment decisions for FCPR Biotechnology are made by the unanimous vote of Jean-Yves Nothias and Pierre Gillet. The address for FCPR Biotechnology is 57 Rue de Richelieu, 75002, Paris, France.

(5) Consists of shares issuable upon conversion of 1,739,130 shares of Series C-2 preferred stock held by Merial Limited. Voting and investment decisions for Merial Limited are made by Corsten Hellmann as legal representative. The address for Merial Limited is 3239 Satellite Boulevard, Duluth, Georgia 30096-4640. Sanofi, as the ultimate parent corporation of Merial Limited, may be deemed to beneficially own the shares held by Merial Limited. The address of Sanofi is 54, rue La Boétie, 75008 Paris, France.

(6) Consists of shares issuable upon conversion of 272,267 shares of Series C preferred stock, 608,696 shares of Series C-2 preferred stock, 762,944 shares of Series D-1 preferred stock, 185,570 shares of Series D-2 preferred stock, and 125,513 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by S.R. One, Limited. All of the shares and warrants are held of record by S.R. One, Limited. S.R. One, Limited is a wholly-owned subsidiary of GlaxoSmithKline plc. Generally, voting and investment decisions for S.R. One, Limited are made by a majority ratification, but may deviate from that process in the ordinary course. The address for S.R. One, Limited is 161 Washington Street, Suite 500 Conshohocken, Pennsylvania 19428-2077.

(7) Consists of shares issuable upon conversion of 109,879 shares of Series B preferred stock, 340,509 shares of Series C preferred stock, 809,584 shares of Series D-1 preferred stock, 3,010,807 shares of Series D-2 preferred stock, and 365,751 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 held by Ventech Capital II ("Ventech"). Voting and investment decisions for Ventech are made by Alain Caffi. The address for Ventech is 47 avenue de l'opera, Paris Cedex 07, France 75002.

(8) Consists of 86,575 shares of common stock, shares of common stock issuable upon conversion of 12,142 shares of Series D-2 Preferred Stock, 3,035 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014 and shares issuable upon exercise of options to acquire 157,250 shares of common stock exercisable within 60 days of February 28, 2014.

(9) Consists of shares issuable upon exercise of options to acquire 13,820 shares of common stock exercisable within 60 days of February 28, 2014.

(10) Includes shares issuable upon exercise of options to acquire 40,543 shares of common stock exercisable within 60 days of February 28, 2014.

(11) Consists of shares of common stock issuable upon conversion of 260,000 shares of Series D-2 Preferred Stock, 65,000 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014, and shares issuable upon exercise of options to acquire 77,000 shares of common stock exercisable within 60 days of February 28, 2014.

(12) Includes shares issuable upon exercise of options to acquire 22,500 shares of common stock exercisable within 60 days of February 28, 2014.

(13) Consists of shares of common stock issuable upon conversion of 107,142 shares of Series D-2 Preferred Stock and 26,785 shares of common stock issuable pursuant to warrants exercisable within 60 days of February 28, 2014, held by DFC Langlois and includes shares issuable upon exercise of options to acquire 51,250 shares of common stock exercisable within 60 days of February 28, 2014 held by Dr. Langlois. Dr. Langlois is a general partner of DFC Langlois and holds sole voting and dispositive authority over the shares held by DFC Langlois. The address for DFC Langlois is 6 Avenue Frederic Le Play 75007 Paris, France.

(14) See Note 4. Dr. Nothias disclaims beneficial ownership of the shares held by FCPR Biotechnology, except to the extent of his ability to direct the voting or disposition of such shares or his pecuniary interest therein.

(15) Consists of shares held by each executive officer and director including the shares described in footnotes 8 through 14 above.

DESCRIPTION OF CAPITAL STOCK

The following description of our capital stock and certain provisions of our amended and restated certificate of incorporation and amended and restated bylaws are summaries and are qualified by reference to the amended and restated certificate of incorporation and the amended and restated bylaws that will be in effect upon the closing of this offering. Copies of these documents will be filed with the SEC as exhibits to our registration statement, of which this prospectus forms a part. The descriptions of our common stock and convertible preferred stock reflect changes to our capital structure that will occur upon the closing of this offering.

General

Upon the closing of this offering, our amended and restated certificate of incorporation will provide for common stock and will authorize shares of undesignated preferred stock, the rights, preferences and privileges of which may be designated from time to time by our board of directors.

Upon the closing of this offering, our authorized capital stock will consist of 130,000,000 shares, all with a par value of $0.001 per share, of which:

- 125,000,000 shares are designated as common stock; and
- 5,000,000 shares are designated as preferred stock.

Common stock

As of February 28, 2014, we had outstanding 10,333,889 shares of common stock, which assumes the conversion of all outstanding shares of convertible preferred stock into shares of common stock immediately prior to the closing of this offering.

Voting Rights

Each holder of our common stock is entitled to one vote for each share of common stock held on all matters submitted to a vote of stockholders, except as otherwise expressly provided in our amended and restated certificate of incorporation or required by applicable law. Cumulative voting for the election of directors is not provided for in our amended and restated certificate of incorporation, which means that the holders of a majority of our shares of common stock can elect all of the directors then standing for election.

Dividends and Distributions. Subject to preferences that may apply to any shares of convertible preferred stock outstanding at the time, the holders of outstanding shares of our common stock are entitled to receive dividends out of funds legally available at the times and in the amounts that our board of directors may determine.

Liquidation Rights. Upon our liquidation, dissolution or winding-up, the assets legally available for distribution to our stockholders would be distributable ratably among the holders of our common stock and any participating convertible preferred stock outstanding at that time after payment of liquidation preferences, if any, on any outstanding shares of convertible preferred stock and payment of other claims of creditors.

The rights, preferences, and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of holders of shares of any series of convertible preferred stock that we may designate and issue in the future.

Preemptive or Similar Rights. Our common stock is not entitled to preemptive rights and is not subject to conversion, redemption or sinking fund provisions.

Preferred Stock

As of February 28, 2014, there were 17,803,273 shares of our convertible preferred stock outstanding. Immediately prior to the closing of this offering, all outstanding shares of our convertible preferred stock will convert into 8,628,738 shares of our common stock.

Upon the closing of this offering, our board of directors may, without further action by our stockholders, fix the rights, preferences, privileges and restrictions of up to an aggregate of 5,000,000 shares of preferred stock in one or more series and authorize their issuance. These rights, preferences and privileges could include dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences, sinking fund terms and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of our common stock. The issuance of our preferred stock could adversely affect the voting power of holders of our common stock and the likelihood that these holders will receive dividend payments and payments upon liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing a change of control or other corporate action. Upon the closing of this offering, no shares of preferred stock will be outstanding, and we have no present plan to issue any shares of preferred stock.

Warrants

As of February 28, 2014, we had warrants to purchase an aggregate of 1,406,118 shares of our common stock outstanding with an exercise price of $0.04 per share. Each of these warrants has a net exercise provision under which the holder, in lieu of payment of the exercise price in cash, can surrender the warrant and receive a net number of shares of our common stock based on the fair market value of such stock at the time of exercise of the warrant after deducting of the aggregate exercise price. Unless earlier exercised, these warrants will expire upon the closing of this offering.

As of February 28, 2014, we had a warrant to purchase an aggregate of 3,077 shares of our common stock outstanding with an exercise price of $13.00 per share. This warrant has a net exercise provision under which the holder, in lieu of payment of the exercise price in cash, can surrender the warrant and receive a net number of shares of our common stock based on the fair market value of such stock at the time of exercise of the warrant after deduction of the aggregate exercise price. Unless earlier exercised, this warrant will expire on the earlier of September 14, 2014 or five years after the closing of this offering.

As of February 28, 2014, we had warrants to purchase an aggregate of 196,923 shares of our Series C-1 convertible preferred stock outstanding with an exercise price of $3.25 per share. Each of these warrants has a net exercise provision under which the holder, in lieu of payment of the exercise price in cash, can surrender the warrant and receive a net number of shares of Series C-1 convertible preferred stock based on the fair market value of such stock at the time of exercise of the warrant after deduction of the aggregate exercise price. Unless earlier exercised, these warrants will expire on the later of July 14, 2016 or five years after the closing of this offering. Upon the closing of this offering, these warrants will become exercisable for 71,569 shares of our common stock with an exercise price of $8.94 per share.

Registration Rights

Stockholder Registration Rights

We are party to an investor rights agreement which provides that holders of our convertible preferred stock have certain registration rights, as set forth below. This investor rights agreement was entered into in August 2000 and has been amended and/or restated from time to time in connection with our preferred stock financings. The registration of shares of our common stock pursuant to the exercise of registration rights described below would enable the holders to sell these shares without restriction under the Securities Act of

1933, as amended, or the Securities Act, when the applicable registration statement is declared effective. We will pay the registration expenses, other than underwriting discounts and commissions, of the shares registered pursuant to the demand, piggyback and Form S-3 registrations described below.

Generally, in an underwritten offering, the managing underwriter, if any, has the right, subject to specified conditions, to limit the number of shares such holders may include. The demand, piggyback and Form S-3 registration rights described below will expire the later of (1) three years after the effective date of the registration statement containing this prospectus or (2) with respect to each stockholder, at such time as the (A) our capital stock is publicly traded and (B) such stockholder holds less than one percent (1%) of the our common stock outstanding and is entitled to sell all of its shares pursuant to Rule 144 of the Securities Act during any ninety (90) day period.

Demand Registration Rights

The holders of an aggregate of 10,697,727 shares of our common stock outstanding and issuable upon conversion of outstanding convertible preferred stock will be entitled to certain demand registration rights. At any time beginning 180 days after the closing of this offering, the holders of forty percent (40%) of these shares may request that we file a registration statement having an aggregate offering price to the public of not less than $5.0 million to register all or a portion of their shares.

Piggyback Registration Rights

In connection with this offering, the holders of an aggregate of 11,109,288 shares of our common stock outstanding and issuable (1) upon conversion of outstanding convertible preferred stock, (2) upon exercise of outstanding common stock warrants, and (3) conversion of preferred stock currently subject to outstanding warrants, were entitled to, and the necessary percentage of holders waived, their rights to include their shares of registrable securities in this offering. In the event that we propose to register any of our securities under the Securities Act either for our own account or for the account of other security holders, the holders of these shares will be entitled to certain "piggyback" registration rights allowing them to include their shares in the registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act including a registration statement on Form S-3 as discussed below, other than with respect to a demand registration or a registration statement on Forms S-4 or S-8, the holders of these shares are entitled to notice of the registration and have the right, subject to limitations that the underwriters may impose on the number of shares included in the registration, to include their shares in the registration.

Form S-3 Registration Rights

The holders of an aggregate of 11,109,288 shares of our common stock outstanding and issuable upon (1) conversion of outstanding convertible preferred stock, (2) exercise of outstanding common stock warrants, and (3) conversion of preferred stock currently subject to outstanding warrants will be entitled to certain Form S-3 registration rights. These holders may make a request that we register their shares on Form S-3 if we are qualified to file a registration statement on Form S-3. The request for registration on Form S-3 must cover securities the aggregate offering price of which, before payment of underwriting discounts and commissions, is at least $1,000,000.

Anti-Takeover Provisions

Certificate of Incorporation and Bylaws to be in Effect Upon the Closing of This Offering

Because our stockholders do not have cumulative voting rights, our stockholders holding a majority of the voting power of our shares of common stock outstanding will be able to elect all of our directors. Our

amended and restated certificate of incorporation and amended and restated bylaws to be effective upon the closing of this offering will provide that all stockholder actions must be effected at a duly called meeting of stockholders and not by consent in writing. A special meeting of stockholders may be called only by a majority of our whole board of directors, the chair of our board of directors, or our chief executive officer.

Our amended and restated certificate of incorporation will further provide that, immediately after this offering, the affirmative vote of holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of voting stock, voting as a single class, will be required to amend certain provisions of our certificate of incorporation, including provisions relating to the size of the board, removal of directors, special meetings, actions by written consent and cumulative voting. The affirmative vote of holders of at least sixty-six and two-thirds percent (66-2/3%) of the voting power of all of the then outstanding shares of voting stock, voting as a single class, will be required to amend or repeal our bylaws, although our bylaws may be amended by a simple majority vote of our board of directors.

The foregoing provisions will make it more difficult for our existing stockholders to replace our board of directors as well as for another party to obtain control of our company by replacing our board of directors. Since our board of directors has the power to retain and discharge our officers, these provisions could also make it more difficult for existing stockholders or another party to effect a change in management. In addition, the authorization of undesignated preferred stock makes it possible for our board of directors to issue preferred stock with voting or other rights or preferences that could impede the success of any attempt to change the control of our company.

These provisions are intended to enhance the likelihood of continued stability in the composition of our board of directors and its policies and to discourage certain types of transactions that may involve an actual or threatened acquisition of our company. These provisions are also designed to reduce our vulnerability to an unsolicited acquisition proposal and to discourage certain tactics that may be used in proxy rights. However, these provisions could have the effect of discouraging others from making tender offers for our shares and may have the effect of deterring hostile takeovers or delaying changes in control of our company or our management. As a consequence, these provisions also may inhibit fluctuations in the market price of our stock that could result from actual or rumored takeover attempts.

Section 203 of the Delaware General Corporation Law

We are subject to Section 203 of the Delaware General Corporation Law, which prohibits a Delaware corporation from engaging in any business combination with any interested stockholder for a period of three years after the date that such stockholder became an interested stockholder, with the following exceptions:

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

In general, Section 203 defines business combination to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- any transaction involving the corporation that has the effect of increasing the proportionate share of the stock or any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loss, advances, guarantees, pledges or other financial benefits by or through the corporation.

In general, Section 203 defines an "interested stockholder" as an entity or person who, together with the person's affiliates and associates, beneficially owns, or within three years prior to the time of determination of interested stockholder status did own, 15% or more of the outstanding voting stock of the corporation.

Limitations on Liability and Indemnification

See the section of this prospectus titled "Executive Compensation—Limitation on Liability and Indemnification Matters."

Listing

We have applied to have our common stock listed on the NASDAQ Global Market under the trading symbol "SCYX."

Transfer Agent and Registrar

Upon the closing of this offering, the transfer agent and registrar for our common stock will be American Stock Transfer & Trust Company, LLC.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our capital stock. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Based on the number of shares outstanding as of December 31, 2013, upon the closing of this offering, shares of our common stock will be outstanding, assuming no exercise of the underwriters' over-allotment option to purchase additional shares of common stock and no exercise of outstanding options or warrants. Of the outstanding shares, all of the shares sold in this offering will be freely tradable, except that any shares held by our affiliates, as that term is defined in Rule 144 under the Securities Act of 1933, as amended, or the Securities Act, may only be sold in compliance with the limitations described below.

The remaining shares of our common stock outstanding after this offering are restricted securities as such term is defined in Rule 144 under the Securities Act or are subject to lock-up agreements with us as described below. Following the expiration of the lock-up period, restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration under Rule 144 or 701 promulgated under the Securities Act described in greater detail below.

Rule 144

In general, a person who has beneficially owned restricted shares of our common stock for at least six months would be entitled to sell their securities provided that (a) such person is not deemed to have been one of our affiliates at the time of, or at any time during the 90 days preceding a sale and (b) we are subject to the periodic reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, for at least 90 days before the sale. Persons who have beneficially owned restricted shares of our common stock for at least six months but who are our affiliates at the time of, or any time during the 90 days preceding, a sale, would be subject to additional restrictions, by which such person would be entitled to sell within any three-month period only a number of securities that does not exceed the greater of either of the following:

- 1% of the number of shares of our common stock outstanding after this offering, which will equal approximately 157,197 shares immediately after the closing of this offering, based on the number of common shares outstanding as of December 31, 2013, and assuming no exercise of the underwriters' over-allotment option to purchase additional shares of our common stock; or
- the average weekly trading volume of our common stock on the NASDAQ Global Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to the sale;

provided, in each case, that we are subject to the periodic reporting requirements of the Exchange Act, for at least 90 days before the sale. Such sales both by affiliates and by non-affiliates must also comply with the manner of sale, current public information and notice provisions of Rule 144.

Rule 701

Rule 701 under the Securities Act as in effect on the date of this prospectus, 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 date of this prospectus before selling their shares. However, substantially all Rule 701 shares are subject to lock-up agreements as described below and under the section of this prospectus titled "Underwriting" and will not become eligible for sale until the expiration of those agreements.

Lock-up Agreements

We, our directors and officers, and substantially all of our stockholders and optionholders have agreed with the underwriters that for a period of 180 days following the date of this prospectus, not to offer, sell, assign, transfer, pledge, contract to sell or otherwise dispose of or hedge any shares of our common stock or any securities convertible into or exchangeable for shares of our common stock, subject to specified exceptions. RBC Capital Markets, LLC may, in its sole discretion, at any time, release all or any portion of the shares from the restrictions in these agreements.

Registration Rights

On the date beginning 180 days after the date of this prospectus, the holders of approximately 11,109,288 shares of our common stock, or their transferees, will be entitled to certain rights with respect to the registration of those shares under the Securities Act. For a description of these registration rights, see the section of this prospectus titled "Description of Capital Stock—Registration Rights." If these shares are registered, they will be freely tradable without restriction under the Securities Act.

Equity Incentive Plans

As soon as practicable after the closing of this offering, we intend to file a Form S-8 registration statement under the Securities Act, to register shares of our common stock issued or reserved for issuance under our equity compensation plans and agreements. This registration statement will become effective immediately upon filing, and shares covered by this registration statement will thereupon be eligible for sale in the public markets, subject to vesting restrictions, the lock-up agreements described above and Rule 144 limitations applicable to affiliates. For a more complete discussion of our equity compensation plans, see the section of this prospectus titled "Executive Compensation—Equity Incentive Plans."

MATERIAL U.S. FEDERAL INCOME AND ESTATE TAX CONSIDERATIONS FOR NON-U.S. HOLDERS

The following summary describes the material U.S. federal income and estate tax consequences of the acquisition, ownership and disposition of our common stock acquired in this offering by Non-U.S. Holders (as defined below). This discussion does not address all aspects of U.S. federal income and estate taxes and does not deal with foreign, state and local consequences that may be relevant to Non-U.S. Holders in light of their particular circumstances, nor does it address U.S. federal tax consequences other than income and estate taxes. Special rules different from those described below may apply to certain Non-U.S. Holders that are subject to special treatment under the Internal Revenue Code of 1986, as amended, or the Code, such as financial institutions, insurance companies, tax-exempt organizations, broker-dealers and traders in securities, U.S. expatriates, "controlled foreign corporations," "passive foreign investment companies," corporations that accumulate earnings to avoid U.S. federal income tax, persons that hold our common stock as part of a "straddle," "hedge," "conversion transaction," "synthetic security" or integrated investment or other risk reduction strategy, persons subject to the alternative minimum tax or Medicare contribution tax, partnerships and other pass-through entities, and investors in such pass-through entities. Such Non-U.S. Holders are urged to consult their own tax advisors to determine the U.S. federal, state, local and other tax consequences that may be relevant to them. Furthermore, the discussion below is based upon the provisions of the Code, and Treasury regulations, rulings and judicial decisions thereunder as of the date hereof, and such authorities may be repealed, revoked or modified, perhaps retroactively, so as to result in U.S. federal income and estate tax consequences different from those discussed below. We have not requested a ruling from the U.S. Internal Revenue Service, or IRS, with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS will agree with such statements and conclusions. This discussion assumes that the Non-U.S. Holder holds our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment).

Persons considering the purchase of our common stock pursuant to this offering should consult their own tax advisors concerning the U.S. federal income and estate tax consequences of acquiring, owning and disposing of our common stock in light of their particular situations as well as any consequences arising under the laws of any other taxing jurisdiction, including any state, local or foreign tax consequences.

For the purposes of this discussion, a "Non-U.S. Holder" is, for U.S. federal income tax purposes, a beneficial owner of common stock that is neither a U.S. Holder, nor a partnership (or other entity treated as a partnership for U.S. federal income tax purposes regardless of its place of organization or formation). A "U.S. Holder" means a beneficial owner of our common stock that is for U.S. federal income tax purposes (a) an individual who is a citizen or resident of the U.S., (b) a corporation or other entity treated as a corporation created or organized in or under the laws of the U.S., any state thereof or the District of Columbia, (c) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (d) a trust if it (1) is subject to the primary supervision of a court within the U.S. and one or more U.S. persons have the authority to control all substantial decisions of the trust or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

Distributions

Subject to the discussion below, distributions, if any, made on our common stock to a Non-U.S. Holder of our common stock to the extent made out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles) generally will constitute dividends for U.S. tax purposes and will be subject to withholding tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty. To obtain a reduced rate of withholding under a treaty, a Non-U.S. Holder

generally will be required to provide us with a properly executed IRS Form W-8BEN, or other appropriate form, certifying the Non-U.S. Holder's entitlement to benefits under that treaty. In the case of a Non-U.S. Holder that is an entity, Treasury Regulations and the relevant tax treaty provide rules to determine whether, for purposes of determining the applicability of a tax treaty, dividends will be treated as paid to the entity or to those holding an interest in that entity. If a Non-U.S. Holder holds stock through a financial institution or other agent acting on the holder's behalf, the holder will be required to provide appropriate documentation to such agent. The holder's agent will then be required to provide certification to us or our paying agent, either directly or through other intermediaries. If you are eligible for a reduced rate of U.S. federal withholding tax under an income tax treaty, you may be able to obtain a refund or credit of any excess amounts withheld by timely filing an appropriate claim for a refund with the IRS.

We generally are not required to withhold tax on dividends paid to a Non-U.S. Holder that are effectively connected with the Non-U.S. Holder's conduct of a trade or business within the U.S. (and, if required by an applicable income tax treaty, are attributable to a permanent establishment that such holder maintains in the U.S.) if a properly executed IRS Form W-8ECI, stating that the dividends are so connected, is furnished to us (or, if stock is held through a financial institution or other agent, to such agent). In general, such effectively connected dividends will be subject to U.S. federal income tax, on a net income basis at the regular graduated rates. A corporate Non-U.S. Holder receiving effectively connected dividends may also be subject to an additional "branch profits tax," which is imposed, under certain circumstances, at a rate of 30% (or such lower rate as may be specified by an applicable treaty) on the corporate Non-U.S. Holder's effectively connected earnings and profits, subject to certain adjustments.

To the extent distributions on our common stock, if any, exceed our current and accumulated earnings and profits, they will first reduce the Non-U.S. Holder's adjusted basis in our common stock, but not below zero, and then will be treated as gain to the extent of any excess, and taxed in the same manner as gain realized from a sale or other disposition of common stock as described in the next section.

Gain on Disposition of Our Common Stock

Subject to the discussion below regarding backup withholding and foreign accounts, a Non-U.S. Holder generally will not be subject to U.S. federal income tax with respect to gain realized on a sale or other disposition of our common stock unless (a) the gain is effectively connected with a trade or business of such holder in the U.S. (and, if required by an applicable income tax treaty, is attributable to a permanent establishment that such holder maintains in the U.S.), (b) the Non-U.S. Holder is a nonresident alien individual and is present in the U.S. for 183 or more days in the taxable year of the disposition and certain other conditions are met or (c) we are or have been a "United States real property holding corporation" within the meaning of Code Section 897(c)(2) at any time within the shorter of the five-year period preceding such disposition or such holder's holding period. In general, we would be a U.S. real property holding corporation if interests in U.S. real estate comprised (by fair market value) at least half of our business assets. We believe that we are not, and do not anticipate becoming, a U.S. real property holding corporation. Even if we are treated as a U.S. real property holding corporation, gain realized by a Non-U.S. Holder on a disposition of our common stock will not be subject to U.S. federal income tax so long as (1) the Non-U.S. Holder owned, directly, indirectly and constructively, no more than five percent of our common stock at all times within the shorter of (i) the five-year period preceding the disposition or (ii) the holder's holding period and (2) our common stock is regularly traded on an established securities market. There can be no assurance that our common stock will continue to qualify as regularly traded on an established securities market.

If you are a Non-U.S. Holder described in (a) above, you will be required to pay tax on the net gain derived from the sale at regular graduated U.S. federal income tax rates, and corporate Non-U.S. Holders described in (a) above may be subject to the additional branch profits tax at a 30% rate or such lower rate as

may be specified by an applicable income tax treaty. If you are an individual Non-U.S. Holder described in (b) above, you will be required to pay a flat 30% tax on the gain derived from the sale, which gain may be offset by U.S. source capital losses (even though you are not considered a resident of the U.S.).

Information Reporting Requirements and Backup Withholding

Generally, we must report information to the IRS with respect to any dividends we pay on our common stock including the amount of any such dividends, the name and address of the recipient, and the amount, if any, of tax withheld. A similar report is sent to the holder to whom any such dividends are paid. Pursuant to tax treaties or certain other agreements, the IRS may make its reports available to tax authorities in the recipient's country of residence.

Dividends paid by us (or our paying agents) to a Non-U.S. Holder may also be subject to U.S. backup withholding. U.S. backup withholding generally will not apply to a Non-U.S. Holder who provides a properly executed IRS Form W-8BEN or otherwise establishes an exemption.

Under current U.S. federal income tax law, U.S. information reporting and backup withholding requirements generally will apply to the proceeds of a disposition of our common stock effected by or through a U.S. office of any broker, U.S. or foreign, except that information reporting and such requirements may be avoided if the holder provides a properly executed IRS Form W-8BEN or otherwise meets documentary evidence requirements for establishing Non-U.S. Holder status or otherwise establishes an exemption. Generally, U.S. information reporting and backup withholding requirements will not apply to a payment of disposition proceeds to a Non-U.S. Holder where the transaction is effected outside the U.S. through a non-U.S. office of a non-U.S. broker. Information reporting and backup withholding requirements may, however, apply to a payment of disposition proceeds if the broker has actual knowledge, or reason to know, that the holder is, in fact, a U.S. person. For information reporting purposes, certain brokers with substantial U.S. ownership or operations will generally be treated in a manner similar to U.S. brokers.

Any amounts of tax withheld under the backup withholding rules may be credited against the tax liability of persons subject to backup withholding, provided that the required information is timely furnished to the IRS.

Foreign Accounts

A U.S. federal withholding tax of 30% may apply on dividends on and the gross proceeds of a disposition of our common stock paid to a foreign financial institution (as specifically defined by applicable rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which includes certain equity holders of such institution, as well as certain account holders that are foreign entities with U.S. owners). This U.S. federal withholding tax of 30% will also apply on dividends on and the gross proceeds of a disposition of our common stock to a non-financial foreign entity unless such entity provides the withholding agent with either a certification that it does not have any substantial direct or indirect U.S. owners or provides information regarding substantial direct and indirect U.S. owners of the entity. The withholding tax described above will not apply if the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from the rules. Under certain circumstances, a Non-U.S. Holder might be eligible for refunds or credits of such taxes. Holders are encouraged to consult with their own tax advisors regarding the possible implications of these rules for their investment in our common stock.

The IRS has issued guidance providing that the withholding provisions described above will generally apply to payments of dividends made on or after July 1, 2014 and to payments of gross proceeds from a sale or other disposition of common stock on or after January 1, 2017.

Federal Estate Tax

An individual Non-U.S. Holder who is treated as the owner of, or has made certain lifetime transfers of, an interest in our common stock will be required to include the value thereof in his or her gross estate for U.S. federal estate tax purposes, and may be subject to U.S. federal estate tax unless an applicable estate tax treaty provides otherwise, even though such individual was not a citizen or resident of the U.S. at the time of his or her death.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAW.

UNDERWRITING

Subject to the terms and conditions set forth in the underwriting agreement, dated , 2014, among us, RBC Capital Markets, LLC, and Canaccord Genuity Inc. as the representatives of the underwriters named below and the joint book-running managers of this offering, we have agreed to sell to the underwriters, and each of the underwriters has agreed, severally and not jointly, to purchase from us, the respective number of shares of common stock shown opposite its name below:

UNDERWRITER	NUMBER OF SHARES
RBC Capital Markets, LLC	
Canaccord Genuity Inc.	
JMP Securities LLC	
Total	4,230,800

The underwriting agreement provides that the obligations of the several underwriters are subject to certain conditions precedent such as the receipt by the underwriters of officers' certificates and legal opinions and approval of certain legal matters by their counsel. The underwriting agreement provides that the underwriters will purchase all of the shares of common stock if any of them are purchased. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the nondefaulting underwriters may be increased or the underwriting agreement may be terminated. We have agreed to indemnify the underwriters and certain of their controlling persons against certain liabilities, including liabilities under the Securities Act, and to contribute to payments that the underwriters may be required to make in respect of those liabilities.

The underwriters have advised us that, following the completion of this offering, they currently intend to make a market in the common stock as permitted by applicable laws and regulations. However, the underwriters are not obligated to do so, and the underwriters may discontinue any market-making activities at any time without notice in their sole discretion. Accordingly, no assurance can be given as to the liquidity of the trading market for the common stock, that you will be able to sell any of the common stock held by you at a particular time or that the prices that you receive when you sell will be favorable.

The underwriters are offering the shares of common stock subject to their acceptance of the shares of common stock from us and subject to prior sale. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part. In addition, the underwriters have advised us that they do not expect sales to accounts over which they have discretionary authority to exceed 5% of the common stock being offered.

Commissions and Expenses

The underwriters have advised us that they propose to offer the shares of common stock to the public at the initial public offering price set forth on the cover page of this prospectus and to certain dealers, which may include the underwriters, at that price less a concession not in excess of $ per share of common stock. After the offering, the initial public offering price, the concession to dealers or any other term of the offering may be changed by the representatives. No such change will change the amount of proceeds to be received by us as set forth on the cover page of this prospectus.

The following table shows the public offering price, the underwriting discounts and commissions that we are to pay the underwriters and the proceeds, before expenses, to us in connection with this offering. Such amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

	Per Share		Total	
	Without Option to Purchase Additional Shares	With Option to Purchase Additional Shares	Without Option to Purchase Additional Shares	Without Option to Purchase Additional Shares
Public offering price	$	$	$	$
Underwriting discounts and commissions paid by us	$	$	$	$
Proceeds to us, before expenses	$	$	$	$

We estimate expenses payable by us in connection with this offering, other than the underwriting discounts and commissions referred to above, will be approximately $3.6 million.

Determination of Offering Price

Prior to this offering, there has not been a public market for our common stock. Consequently, the initial public offering price for our common stock will be determined by negotiations between us and the representatives. Among the factors to be considered in these negotiations will be prevailing market conditions, our financial information, market valuations of other companies that we and the underwriters believe to be comparable to us, estimates of our business potential, the present state of our development and other factors deemed relevant.

We offer no assurances that the initial public offering price will correspond to the price at which the common stock will trade in the public market subsequent to the offering or that an active trading market for the common stock will develop and continue after the offering.

Listing

We have applied to list our common stock on the NASDAQ Global Market under the symbol "SCYX."

Option to Purchase Additional Shares

We have granted to the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of 634,620 shares from us at the public offering price set forth on the cover page of this prospectus, less underwriting discounts and commissions, to cover over-allotments. If the underwriters exercise this option, each underwriter will be obligated, subject to specified conditions, to purchase a number of additional shares proportionate to that underwriter's initial purchase commitment as indicated in the table above.

No Sales of Similar Securities

Pursuant to certain lock-up agreements, we, our officers, directors and holders of substantially all of our outstanding capital stock have agreed, subject to specified exceptions, not to directly or indirectly:

- sell, offer to sell, contract to sell, effect any short sale, pledge, transfer, establish a "put equivalent position" within the meaning of Rule 16a-l(h) under the Exchange Act, or

- otherwise dispose of, or enter into any swap, hedge or similar arrangement that transfers, in whole or in part, the economic risk of ownership of, any shares of common stock, options or warrants to acquire shares of common stock, or securities exchangeable or exercisable for or convertible into shares of common stock currently or hereafter owned either of record or beneficially, or
- make any demand for, or exercise any right with respect to, the registration under the Securities Act of the offer and sale of any shares of common stock, options or warrants to acquire shares of common stock, or securities exchangeable or exercisable for or convertible into shares of common stock, or
- publicly announce any intention to do any of the foregoing

for a period of 180 days after the date of this prospectus without the prior written consent of the representatives, subject to specified exceptions.

This restriction terminates after the close of trading of the common stock on and including the 180th day after the date of this prospectus. The representatives may, in its sole discretion and at any time or from time to time before the termination of the 180-day period release all or any portion of the securities subject to lock-up agreements. There are no existing agreements between the underwriters and any of our stockholders who will execute a lock-up agreement providing consent to the sale of shares prior to the expiration of the lock-up period.

Stabilization

The underwriters have advised us that, pursuant to Regulation M under the Exchange Act, certain persons participating in the offering may engage in short sale transactions, stabilizing transactions, syndicate covering transactions or the imposition of penalty bids in connection with this offering. These activities may have the effect of stabilizing or maintaining the market price of the common stock at a level above that which might otherwise prevail in the open market. Establishing short sales positions may involve either "covered" short sales or "naked" short sales.

"Covered" short sales are sales made in an amount not greater than the underwriters' option to purchase additional shares of our common stock in this offering. The underwriters may close out any covered short position by either exercising their option to purchase additional shares of our common stock or purchasing shares of our common stock in the open market. In determining the source of shares to close out the covered short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through the option to purchase additional shares.

"Naked" short sales are sales in excess of the option to purchase additional shares of our common stock. The underwriters must close out any naked short position by purchasing shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of the shares of our common stock in the open market after pricing that could adversely affect investors who purchase in this offering.

A stabilizing bid is a bid for the purchase of shares of common stock on behalf of the underwriters for the purpose of fixing or maintaining the price of the common stock. A syndicate covering transaction is the bid for or the purchase of shares of common stock on behalf of the underwriters to reduce a short position incurred by the underwriters in connection with the offering. Similar to other purchase transactions, the underwriter's purchases to cover the syndicate short sales may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock may be higher than the price that might otherwise exist in the open market. A penalty bid is an arrangement permitting the underwriters to reclaim the selling

concession otherwise accruing to a syndicate member in connection with the offering if the common stock originally sold by such syndicate member are purchased in a syndicate covering transaction and therefore have not been effectively placed by such syndicate member.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our common stock. The underwriters are not obligated to engage in these activities and, if commenced, any of the activities may be discontinued at any time.

Electronic Distribution

A prospectus in electronic format may be made available by e-mail or through online services maintained by one or more of the underwriters or their affiliates. In those cases, prospective investors may view offering terms online and may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares of common stock for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriters on the same basis as other allocations. Other than the prospectus in electronic format, the information on the underwriters' web sites and any information contained in any other web site maintained by any of the underwriters is not part of this prospectus, has not been approved and/or endorsed by us or the underwriters and should not be relied upon by investors.

Other Activities and Relationships

The underwriters and certain of their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The underwriters and certain of their respective affiliates have, from time to time, performed, and may in the future perform, various commercial and investment banking and financial advisory services for us and our affiliates, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the underwriters and certain of their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments issued by us and our affiliates. If the underwriters or their respective affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. The underwriters and their respective affiliates may hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities or the securities of our affiliates, including potentially the common stock offered hereby. Any such short positions could adversely affect future trading prices of the common stock offered hereby. The underwriters and certain of their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In February 2014, we entered into an agreement with RBC Capital Markets, LLC, pursuant to which RBC Capital Markets, LLC may act as a financial advisor to us in a transaction that constitutes a sale of SCYNEXIS, a private placement of our securities, a license of SCY-078 in the United States or Western Europe, and pursuant to which RBC Capital Markets, LLC will receive a fee depending on the size of the transaction. Under the terms of the engagement we will indemnify RBC Capital Markets, LLC and its affiliates for losses incurred arising as a result of the services rendered by it under this agreement.

Additionally, under the terms of this agreement, RBC Capital Markets, LLC has a right of first refusal to provide services as left bookrunning and lead manager in any underwritten initial public offering of our

shares. The terms and conditions related to such service will be outlined in a separate proposal to be negotiated in good faith. This right of first refusal will terminate upon the earlier of (i) the completion of this offering, (ii) the termination of the agreement or (iii) August 10, 2015.

Burrill Securities, an affiliate of Burrill Biotechnology Capital Fund, L.P., a holder of more than 5% of our capital stock, and an entity with which one of our directors, Dr. Hanham, was previously affiliated, will receive a fee of $500,000 in connection with the closing of this offering.

Notice to Residents of Canada

The securities may be sold only to purchasers purchasing as principal that are both "accredited investors" as defined in National Instrument 45-106 Prospectus and Registration Exemptions and "permitted clients" as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the securities must be made in accordance with an exemption from the prospectus requirements and in compliance with the registration requirements of applicable securities laws.

Notice to Prospective Investors in the United Kingdom

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, and any offer subsequently made may only be directed at persons who are "qualified investors" (as defined in the Prospectus Directive) (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, which we refer to as the Order, and/or (ii) who are high net worth companies (or persons to whom it may otherwise be lawfully communicated) falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). This document must not be acted on or relied on in the United Kingdom by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which this document relates is only available to, and will be engaged in with, relevant persons.

Notice to Prospective Investors in the EEA

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive, which we refer to as a Relevant Member State, an offer to the public of any shares of common stock that are the subject of the offering contemplated by this prospectus may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any shares may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

(a) to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;

(b) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;

(c) by the underwriters to fewer than 100 natural or legal persons (other than "qualified investors" as defined in the Prospectus Directive) subject to obtaining the prior consent of the representative for any such offer; or

(d) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of shares shall result in a requirement for the publication by us or any representative of a prospectus pursuant to Article 3 of the Prospectus Directive.

Any person making or intending to make any offer of shares within the EEA should only do so in circumstances in which no obligation arises for us or any of the underwriters to produce a prospectus for such offer. Neither we nor the underwriters have authorized, nor do they authorize, the making of any offer of shares through any financial intermediary, other than offers made by the underwriters which constitute the final offering of shares contemplated in this prospectus.

For the purposes of this provision, and your representation below, the expression an "offer to the public" in relation to any shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase any shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

Each person in a Relevant Member State who receives any communication in respect of, or who acquires any shares under, the offer of shares contemplated by this prospectus will be deemed to have represented, warranted and agreed to and with us and each underwriter that:

(a) it is a "qualified investor" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

(b) in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the shares acquired by it in the offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than "qualified investors" (as defined in the Prospectus Directive), or in circumstances in which the prior consent of the representative has been given to the offer or resale; or (ii) where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

Notice to Prospective Investors in Switzerland

The Prospectus does not constitute an issue prospectus pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations ("CO") and the shares will not be listed on the SIX Swiss Exchange. Therefore, the Prospectus may not comply with the disclosure standards of the CO and/or the listing rules (including any prospectus schemes) of the SIX Swiss Exchange. Accordingly, the shares may not be offered to the public in or from Switzerland, but only to a selected and limited circle of investors, which do not subscribe to the shares with a view to distribution.

LEGAL MATTERS

Cooley LLP, Palo Alto, California, will pass upon the validity of the shares of common stock offered hereby. The underwriters are being represented by DLA Piper LLP (US), East Palo Alto, California, in connection with this offering.

EXPERTS

The financial statements included in this prospectus have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report appearing herein and elsewhere in the Registration Statement (which report expresses an unqualified opinion on the financial statements and includes an explanatory paragraph referring to going concern uncertainty). Such financial statements have been so included in reliance upon the report of such firm given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to this offering of our common stock. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some items of which are contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information with respect to us and our common stock, we refer you to the registration statement, including the exhibits and the financial statements and notes filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit. The exhibits to the registration statement should be referenced for the complete contents of these contracts and documents. A copy of the registration statement and the exhibits filed therewith may be inspected without charge at the public reference room of the SEC, located at 100 F Street, N.E., Room 1580, Washington, D.C. 20549. You may obtain information on the operation of the public reference rooms by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet website that contains reports, proxy statements, and other information about issuers, like us, that file electronically with the SEC. The address of that website is *www.sec.gov*.

As a result of this offering, we will become subject to the information and reporting requirements of the Exchange Act and, in accordance with this law, will file periodic and current reports, proxy statements, and other information with the SEC. These periodic and current reports, proxy statements, and other information will be available for inspection and copying at the SEC's public reference facilities and the website of the SEC referred to above. We also maintain a website at *www.scynexis.com*. After the closing of this offering, you may access our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act with the SEC free of charge at our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. The information contained in, or that can be accessed through, our website is not incorporated by reference into this prospectus.

SCYNEXIS, INC.

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Stockholders of
SCYNEXIS, Inc.
Durham, North Carolina

We have audited the accompanying balance sheets of SCYNEXIS, Inc. (the "Company") as of December 31, 2013 and 2012, and the related statements of operations, changes in convertible preferred stock and stockholders' deficit, and cash flows for each of the two years in the period ended December 31, 2013. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of SCYNEXIS, Inc., as of December 31, 2013 and 2012, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2013, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company has experienced recurring losses from operations and negative cash flows. The Company also has negative working capital and a stockholders' deficit at December 31, 2013. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans concerning these matters are also discussed in Note 1 to the financial statements. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ Deloitte & Touche LLP

Raleigh, North Carolina
February 27, 2014 (March 18, 2014 as to the fifth, sixth, and seventh paragraphs of Note 18)

SCYNEXIS, INC.

BALANCE SHEETS

(in thousands, except share and per share data)

	December 31,		December 31,
	2013	2012	2013 (Pro forma) (unaudited)
Assets			
Current assets:			
Cash and cash equivalents	$ 1,402	$ 2,385	$ 1,454
Accounts receivable, net of allowance for bad debts	719	1,661	719
Unbilled services	343	757	343
Prepaid expenses and other current assets	489	421	489
Total current assets	2,953	5,224	3,005
Property and equipment, net of accumulated depreciation	5,401	6,284	5,401
Deferred financing costs	2,144	530	2,144
Other assets	114	80	114
Deferred offering costs	1,775	—	1,775
Total assets	**$ 12,387**	**$ 12,118**	**$ 12,439**
Liabilities, convertible preferred stock, and stockholders' deficit			
Current liabilities:			
Accounts payable	$ 1,932	$ 1,018	$ 1,932
Accrued expenses	1,058	811	1,058
Deferred revenue, current portion	487	182	487
Interest payable — related party	—	776	—
Convertible notes — related party, net of discount	—	11,444	—
Current portion of long-term debt	15,000	—	15,000
Total current liabilities	18,477	14,231	18,477
Deferred revenue, net of current portion	1,144	—	1,144
Long-term debt	—	15,000	—
Derivative liability	12,237	683	37
Deferred rent	1,481	1,533	1,481
Total liabilities	33,339	31,447	21,139
Commitments and contingencies (Note 8)			
Series A convertible preferred stock, $0.001 par value, authorized 31,410 shares; 31,407 shares issued and outstanding as of December 31, 2013 and 2012; 0 shares issued and outstanding pro forma	250	250	—
Series B convertible preferred stock, $0.001 par value, authorized 711,987 shares; 467,814 shares issued and outstanding as of December 31, 2013 and 2012; 0 shares issued and outstanding pro forma	4,215	4,215	—
Series C convertible preferred stock, $0.001 par value, authorized 2,967,678 shares; 2,770,633 shares issued and outstanding as of December 31, 2013 and 2012; 0 shares issued and outstanding pro forma	28,121	28,121	—
Series C-1 convertible preferred stock, $0.001 par value, authorized 3,076,923 shares; 0 shares issued and outstanding as of December 31, 2013 and 2012; 0 shares issued and outstanding pro forma	—	—	—
Series C-2 convertible preferred stock, $0.001 par value, authorized 2,347,826 shares; 2,347,826 shares issued and outstanding as of December 31, 2013 and 2012; 0 shares issued and outstanding pro forma	13,500	13,500	—
Series D-1 convertible preferred stock, $0.001 par value, authorized 10,000,000 and 5,000,000 shares at December 31, 2013 and 2012, respectively; 6,054,255 and 0 shares issued and outstanding as of December 31, 2013 and 2012, respectively; 0 shares issued and outstanding pro forma	16,952	—	—
Series D-2 convertible preferred stock, $0.001 par value, authorized 10,000,000 and 5,000,000 shares at December 31, 2013 and 2012, respectively; 5,742,697 and 0 shares issued and outstanding as of December 31, 2013 and 2012, respectively; 0 shares issued and outstanding pro forma	24,119	—	—
Stockholders' deficit:			
Common stock, $0.001 par value, authorized 70,000,000 and 54,000,000 shares at December 31, 2013 and 2012, respectively; 1,704,026 and 1,712,768 shares issued and outstanding as of December 31, 2013 and 2012, respectively; 11,488,973 issued and outstanding pro forma	2	2	11
Additional paid-in capital	5,166	17,399	104,566
Accumulated deficit	(113,277)	(82,816)	(113,277)
Total stockholders' deficit	(108,109)	(65,415)	(8,700)
Total liabilities, convertible preferred stock, and stockholders' deficit	**$ 12,387**	**$ 12,118**	**$ 12,439**

The accompanying notes are an integral part of the financial statements.

SCYNEXIS, INC.

STATEMENTS OF OPERATIONS
(in thousands, except share and per share data)

	Year ended December 31,	
	2013	2012
Revenue — related party	$ 7,288	$ 7,424
Revenue	9,569	9,413
Total revenue	16,857	16,837
Cost of revenue	16,305	14,364
Gross profit	552	2,473
Operating expenses:		
Research and development	4,363	8,927
Selling, general and administrative	4,381	4,742
Gain on sale of asset	(988)	(3,412)
Total operating expenses	7,756	10,257
Loss from operations	(7,204)	(7,784)
Other (expense) income:		
Amortization of deferred financing costs and debt discount	(3,485)	(2,918)
Interest expense for beneficial conversion feature	(10,802)	—
Interest expense — related party	(892)	(747)
Interest expense	(192)	(225)
Derivative fair value adjustment	(7,886)	185
Other income	—	12
Total other expense:	(23,257)	(3,693)
Net loss	(30,461)	(11,477)
Deemed dividend for beneficial conversion feature on Series D-2 convertible preferred stock	(4,232)	—
Deemed dividend for antidilution adjustments to convertible preferred stock	(6,402)	—
Accretion of convertible preferred stock	(5,714)	—
Net loss attributable to common stockholders	$ (46,809)	$ (11,477)
Net loss per share attributable to common stockholders:		
Basic and diluted	$ (27.34)	$ (6.91)
Basic and diluted, pro forma (unaudited)	$ (2.78)	
Weighted average common shares outstanding:		
Basic and diluted	1,711,921	1,660,709
Basic and diluted, pro forma (unaudited)	8,064,720	

The accompanying notes are an integral part of the financial statements.

SCYNEXIS, INC.

STATEMENTS OF CHANGES IN CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
(in thousands)

	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock	Series C Convertible Preferred Stock	Series C-1 Convertible Preferred Stock	Series C-2 Convertible Preferred Stock	Series D-1 Convertible Preferred Stock	Series D-2 Convertible Preferred Stock	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Deficit
Balance as of January 1, 2012	$ 250	$ 6,415	$ 30,121	$ 3,200	$ 13,500	—	—	$ 1	$ 9,632	$ (71,339)	$ (61,706)
Net loss	—	—	—	—	—	—	—	—	—	(11,477)	(11,477)
Exercise of stock options	—	—	—	—	—	—	—	—	7	—	7
Exercise of warrants	—	—	—	—	—	—	—	—	3	—	3
Preferred stock conversion	—	(2,200)	(2,000)	(3,200)	—	—	—	1	7,399	—	7,400
Stock-based compensation expense	—	—	—	—	—	—	—	—	358	—	358
Balance as of December 31, 2012	$ 250	$ 4,215	$ 28,121	$ —	$ 13,500	—	—	$ 2	$ 17,399	$ (82,816)	$ (65,415)
Net loss	—	—	—	—	—	—	—	—	—	(30,461)	(30,461)
Exercise of stock options	—	—	—	—	—	—	—	—	5	—	5
Stock-based compensation expense	—	—	—	—	—	—	—	—	180	—	180
Deemed contribution on debt guarantee	—	—	—	—	—	—	—	—	3,930	—	3,930
Sale of preferred stock, net of issuance costs of $95 (Note 9)	—	—	—	—	—	—	2,405	—	—	—	—
Conversion of convertible notes into preferred stock (Note 6)	—	—	—	—	—	8,476	5,540	—	—	—	—
Reclassification of warrants issued with preferred stock to derivative liability (Note 9)	—	—	—	—	—	—	(2,500)	—	—	—	—
Beneficial conversion feature for antidilution adjustment (Note 9)	—	594	4,748	—	1,060	—	—	—	(6,402)	—	(6,402)
Beneficial conversion feature on sale of preferred stock (Note 9)	—	—	—	—	—	—	4,232	—	(4,232)	—	(4,232)
Beneficial conversion feature on conversion of convertible notes (Note 6)	—	—	—	—	—	6,998	3,804	—	—	—	—
Adjustment of preferred stock to liquidation value (Note 9)											

	—	(594)	(4,748)	—	(1,060)	1,478	10,638	—	(5,714)	—	(5,714)
Balance as of December 31, 2013,	$ 250	$ 4,215	$ 28,121	$ —	$ 13,500	$ 16,952	$ 24,119	$ 2	$ 5,166	$ (113,277)	$ (108,109)

The accompanying notes are an integral part of the financial statements.

SCYNEXIS, INC.

STATEMENTS OF CASH FLOWS
(in thousands)

	Year ended December 31,	
	2013	2012
Cash flows from operating activities:		
Net loss	$(30,461)	$ (11,477)
Adjustments to reconcile net loss to net cash used in operating activities:		
Beneficial conversion feature on convertible notes — related party	10,802	—
Gain on sale of asset, net of transaction expenses	(988)	(3,412)
Depreciation	1,329	1,489
Stock-based compensation expense	180	358
Amortization of deferred financing costs and debt discount	3,485	2,918
Allowance for bad debts	(10)	(204)
Change in fair value of derivative liability	7,886	(185)
Changes in deferred rent	(53)	(26)
Changes in operating assets and liabilities:		
Accounts receivable and unbilled services	1,366	(430)
Prepaid expenses, other assets, and deferred costs	(102)	77
Accounts payable and accrued expenses	(82)	(408)
Interest payable — related party	892	747
Deferred revenue	1,449	(43)
Net cash used in operating activities	(4,307)	(10,596)
Cash flows from investing activities:		
Proceeds from sale of asset, net of transaction expenses	988	3,412
Purchases of property and equipment	(431)	(361)
Net cash provided by investing activities	557	3,051
Cash flows from financing activities:		
Proceeds from issuance of convertible notes and related warrants	899	5,947
Proceeds from sale of preferred stock	2,500	—
Preferred stock issuance costs	(95)	—
Payments of deferred offering costs	(542)	—
Proceeds from exercise of stock options	5	7
Net cash provided by financing activities	2,767	5,954
Decrease in cash and cash equivalents	(983)	(1,591)
Cash and cash equivalents, beginning of year	2,385	3,976
Cash and cash equivalents, end of year	$ 1,402	$ 2,385
Supplemental cash flow information:		
Cash paid for interest	$ 197	$ 236
Noncash financing and investing activities:		
Conversion of convertible notes into preferred stock	$ 14,016	$ —
Beneficial conversion feature for antidilution adjustment	$ 6,402	$ —
Beneficial conversion feature on sale of preferred stock	$ 4,232	$ —
Adjustment of preferred stock to redemption value	$ 5,714	$ —
Issuance of warrants allocated to debt discount	$ 1,168	$ 328
Deemed contribution of a loan guarantee	$ 3,930	$ —
Conversion of preferred shares into common shares	$ —	$ 7,400
Issuance of warrants with preferred stock	$ 2,500	$ —
Equipment purchase in accounts payable	$ 15	$ —
Deferred offering costs included in accounts payable	$ 1,233	$ —

The accompanying notes are an integral part of the financial statements.

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1. Description of Business and Basis of Preparation

Organization

SCYNEXIS, Inc. ("SCYNEXIS" or the "Company") is a Delaware corporation formed on November 4, 1999. SCYNEXIS is a chemistry-focused drug discovery and development company headquartered in Research Triangle Park, North Carolina.

The Company offers its services and partnerships in the drug discovery and development phases, primarily in the form of integrated research teams consisting of medicinal, computational, analytical, and process scientists working on a collaborative basis with its customers on research projects.

Going Concern

The Company has experienced recurring losses from operations and negative cash flows due to its ongoing research and development investment in cyclophillin inhibitor and anti-fungal products. The Company also has negative working capital and a stockholders' deficit at December 31, 2013. The conditions described above raise substantial doubt about the Company's ability to continue as a going concern. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company believes it will receive continued support from its existing investors, and it intends to raise additional funds through an initial public equity offering, the proceeds from which would enable the Company to carry on its activities and meet its obligations for at least the next 12 months. If continued support from the Company's investors is not received or if the planned initial public offering is not successful, the Company will be required to obtain additional sources of financing through a debt or equity offering, or through the sale of assets in order to meet its obligations when they become due. There can be no assurances that the Company would be successful in completing any such offerings or sales of assets.

2. Summary of Significant Accounting Policies

The Company has filed a Registration Statement on Form S-1 with the U.S. Securities and Exchange Commission (the "SEC") for the proposed initial public offering ("IPO") of shares of its common stock. The convertible preferred stock will automatically convert into common stock upon the completion of a public offering of common stock with gross proceeds of at least $20,000. In addition, the Company issued certain common stock warrants at a nominal exercise price and these will be exercised automatically upon an IPO. Upon exercise of these warrants, a derivative liability of $12,200 as of December 31, 2013 would be reclassified to reduce stockholders' deficit.

The unaudited pro forma net loss per share for the year ended December 31, 2013 assumes the conversion as of January 1, 2013 or the time of issuance, if later, of all outstanding shares of convertible preferred stock and the exercise of all common stock warrants issued with the convertible notes and convertible preferred stock into an aggregate of approximately 9,784,947 shares of common stock upon the completion of an IPO.

The Company believes that the unaudited pro forma information is material to investors because the conversion of the convertible preferred stock into common stock and the exercise of all common stock warrants issued with the convertible notes and convertible preferred stock are expected to occur upon the

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closing of an IPO and, therefore, the disclosure provides a measure of total liabilities, stockholders' deficit, and net loss per share that is comparable to what will be reported as a public company.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates include the accounts receivable allowance; valuation of the related-party deemed contribution; the fair value of the Company's common stock used to measure stock-based compensation for options granted to employees and nonemployees and determine the fair value of common stock warrants; the fair value of convertible preferred stock; the fair value of the Company's derivative liability; and the estimated useful lives of property and equipment.

Concentration of Credit Risk

Financial instruments, which potentially expose the Company to concentrations of credit risk, consist principally of cash on deposit with a bank, which exceeds insured limits, and accounts receivable and unbilled services. Ongoing credit evaluations of customer's financial condition are performed by the Company and collateral is not required.

Two customers each represented 16% and one customer represented 14% of accounts receivable and unbilled services at December 31, 2013. Another customer represented 18% of accounts receivable and unbilled services at December 31, 2012. No other customer accounted for 10% or more of accounts receivable and unbilled services.

One customer accounted for more than 10% of the Company's total revenues in the years ended December 31, 2013 and 2012. This customer, which is a related-party (Note 14), accounted for 43% and 44% of the Company's total revenues in 2013 and 2012, respectively.

Cash and Cash Equivalents

The Company considers any highly liquid investments with a remaining maturity of three months or less when purchased to be cash and cash equivalents.

Accounts Receivable and Unbilled Services

Accounts receivable and unbilled services consist of amounts billed and unbilled under the Company's service contracts with its customers. The Company extends credit to customers without requiring collateral. Accounts receivable are stated at net realizable value. On a periodic basis, the Company evaluates its accounts receivable and establishes an allowance based on its history of collections and write-offs and the current status of all receivables. The Company does not accrue interest on trade receivables.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is determined on a straight-line basis over the estimated useful lives of the assets, which generally range from three to

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seven years. Leasehold improvements are amortized over the shorter of the useful life of the asset or the term of the related lease. Maintenance and repairs are charged against expense as incurred.

Deferred Financing Costs

Deferred financing costs are transaction costs associated with issuing debt as well as costs related to a deemed contribution for a guarantee from a related party. The Company recognizes these costs in the balance sheet as noncurrent assets. Deferred financing costs are amortized over the life of the related debt.

Other Assets

Other assets consist primarily of the refundable long-term deposit on the leased building facility and the refundable amount held by the Company's employee dental plan insurance provider as required by its agreement.

Deferred Offering Costs

Deferred offering costs are expenses related to the proposed IPO that the Company capitalized. These costs consist of legal, accounting, printing, and filing fees, including fees incurred by the independent registered public accounting firm directly related to the offering. The deferred offering costs will be offset against IPO proceeds upon the effectiveness of the offering. In the event the offering is terminated, deferred offering costs will be expensed. At December 31, 2013 and 2012, the amount capitalized as deferred offering costs was $1,775 and $0, respectively.

Impairment of Long-Lived Assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. When such events occur, the Company compares the carrying amounts of the assets to their undiscounted expected future cash flows. If the undiscounted cash flows are insufficient to recover the carrying value, an impairment loss is recorded for the difference between the carrying value and fair value of the asset. To date, no such impairment has occurred.

Revenue Recognition and Deferred Revenue

The Company derives the majority of its revenue from providing contract research and development services under fee for service arrangements. The Company also has entered into collaboration arrangements in exchange for non-refundable upfront payments and consideration as services are performed. These arrangements include multiple elements, such as the sale of licenses and the provision of services. Under these arrangements, the Company also is entitled to receive development milestone payments and royalties in the form of a designated percentage of product sales.

Revenue is recognized when all of the following conditions are met: (i) persuasive evidence of an arrangement exists, (ii) delivery has occurred or services have been rendered, (iii) fees are fixed or determinable, and (iv) collection of fees is reasonably assured.

When entering into an arrangement, the Company first determines whether the arrangement includes multiple deliverables and is subject to accounting guidance in ASC subtopic 605-25, *Multiple-Element Arrangements*. If the Company determines that an arrangement includes multiple elements, it determines whether the arrangement should be divided into separate units of accounting and how the arrangement consideration should be measured and allocated among the separate units of accounting.

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An element qualifies as a separate unit of accounting when the delivered element has standalone value to the customer. The Company's arrangements do not include a general right of return relative to delivered elements. Any delivered elements that do not qualify as separate units of accounting are combined with other undelivered elements within the arrangement as a single unit of accounting. If the arrangement constitutes a single combined unit of accounting, the Company determines the revenue recognition method for the combined unit of accounting and recognizes the revenue over the period from inception through the date the last deliverable within the single unit of accounting is delivered.

The Company's contract research and development services revenue is recognized in the period in which the services are performed. The Company historically has recognized milestone payments received on a straight-line basis over the remaining service period. No milestone payments were received in either period presented in the accompanying statements of operations. In arrangements that include license rights and other non-contingent deliverables, such as participation in a steering committee, these deliverables do not have standalone value because the non-contingent deliverables are dependent on the license rights. That is, the non-contingent deliverables would not have value without the license rights, and only the Company can perform the related services. Upfront license rights and non-contingent deliverables, such as participation in a steering committee, do not have standalone value as they are not sold separately and they cannot be resold. In addition, when non-contingent deliverables are sold with upfront license rights, the license rights do not represent the culmination of a separate earnings process. As such, the Company accounts for the license and the non-contingent deliverables as a single combined unit of accounting. Therefore, license revenue in the form of non-refundable upfront payments is deferred and recognized over the applicable relationship period, which historically has been the estimated period of the Company's substantive performance obligations or the period the rights granted are in effect. The Company recognizes contingent event-based payments under license agreements when the payments are received. The Company recognized an immaterial amount of license revenue from the receipt of upfront payments in the accompanying statement of operations. The Company has not received any royalty payments to date.

The Company will recognize a milestone payment when earned if it is substantive and the Company has no ongoing performance obligations related to the milestone. A milestone payment is considered substantive if it 1) is commensurate with either the Company's performance to achieve the milestone or the enhanced value of the delivered item as a result of a specific outcome resulting from the Company's performance to achieve the milestone; 2) relates solely to past performance; and 3) is reasonable relative to all of the deliverables and payment terms, including other potential milestone consideration, within the arrangement.

Amounts received prior to satisfying all revenue recognition criteria are recorded as deferred revenue in the accompanying balance sheets.

In August 2013, the Company entered into a development, license, and supply agreement with R-Pharm, CJSC ("R-Pharm"), granting it exclusive rights to develop and commercialize an anti-fungal drug (SCY-078) in the field of human health in Russia and certain smaller non-core markets. The Company received an upfront payment of $1,500, which composes the substantial majority of its deferred revenue balance as of December 31, 2013, and is entitled to receive payments on contingent events, including 1) a development milestone payment of $3,000 upon the first registration of SCY-078 in any country covered by the agreement; 2) sales-based payments of up to $15,000 upon R-Pharm's achievement of specified targets

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for cumulative net sales of SCY-078; and 3) percentage royalties of up to the mid-teens on SCY-078 net sales.

The Company deferred the upfront payment received and is recognizing it over the estimated relationship period of 70 months, which includes the product development period and an additional period during which the Company is required to participate in a product development committee. The development milestone payment is considered substantive and will be recognized when R-Pharm achieves certain specified milestones.

The sales-based payments will not be recognized until the Company 1) receives the payments, and 2) has no continuing performance obligations. If the Company has any continuing performance obligations when the sales-based payments are received, those payments will be deferred and recognized over the remaining period of continuing performance obligations. Royalties will be recognized when payment is received.

The Company entered into a licensing agreement with Elanco Animal Health (Elanco) in December 2013. The agreement includes an upfront payment of $500 and multi-year contract research and development services with fees of $2,750 annually for the first two years and $3,000 annually for the second two years, and entitles the Company to 1) development milestone payments of up to $1,500 for each compound Elanco and the Company decide to develop; 2) a one-time payment of up to $2,000 for the first regulatory approval of any product in the U.S.; 3) a one-time payment of $4,000 for the first commercial sale of a product in the U.S. and a one-time payment of $1,500 for the first commercial sale of a product in the European Union; 4) one-time payments of up to $15,000 for reaching specified annual sales of a product; and 5) mid-single-digit percentage royalties on net annual sales. The Company will defer the upfront payment, which it received in January 2014, and will recognize the revenue over the research and development period of four years.

Fair Value of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, based on the Company's principal or, in absence of a principal, most advantageous market for the specific asset or liability.

The Company uses a three-tier fair value hierarchy to classify and disclose all assets and liabilities measured at fair value on a recurring basis, as well as assets and liabilities measured at fair value on a non-recurring basis, in periods subsequent to their initial measurement. The hierarchy requires the Company to use observable inputs when available, and to minimize the use of unobservable inputs when determining fair value. The three tiers are defined as follows:

- Level 1 — Observable inputs that reflect quoted market prices (unadjusted) for identical assets or liabilities in active markets;
- Level 2 — Observable inputs other than quoted prices in active markets that are observable either directly or indirectly in the marketplace for identical or similar assets and liabilities; and
- Level 3 — Unobservable inputs that are supported by little or no market data, which require the Company to develop its own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances.

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Research and Development

Major components of research and development costs include cash compensation, stock-based compensation, preclinical studies, clinical trial and related clinical manufacturing, drug development, materials and supplies, legal, regulatory compliance, and fees paid to consultants and other entities that conduct certain research and development activities on the Company's behalf.

Amortization of Deferred Financing Costs and Debt Discount

Amortization of deferred financing costs and debt discount includes the amortization of debt discount related to the warrants issued with the convertible notes, the amortization of issuance costs related to the convertible notes, and amortization of the deferred financing costs related to a deemed contribution for a guarantee from a related party.

Comprehensive Loss

The Company has no items of comprehensive income or loss other than net loss.

Income Taxes

The Company provides for deferred income taxes under the asset and liability method, whereby deferred income taxes result from temporary differences between the tax bases of assets and liabilities and their reported amounts in the financial statements. Valuation allowances are established when necessary to reduce deferred tax assets to the amount that the Company believes is more likely than not to be realized. The Company recognizes uncertain tax positions when the positions will be more likely than not sustained based solely upon the technical merits of the positions.

Stock-Based Compensation

The Company measures and recognizes compensation expense for all stock-based payment awards made to employees, officers, and directors based on the estimated fair values of the awards as of grant date. The value of the portion of the award that is ultimately expected to vest is recorded as expense over the requisite service periods.

The Company also accounts for equity instruments issued to non-employees using a fair value approach. The Company values equity instruments and stock options granted to employees using the Black-Scholes valuation model. The measurement of non-employee share-based compensation is subject to periodic adjustments as the underlying equity instruments vest and is recognized as an expense over the term of the related financing or the period over which services are received. The Company estimates the fair value of common stock warrants granted to lenders at their intrinsic value, which is the estimated fair value of the common stock less the exercise price for the warrant.

Deferred Rent

The Company recognizes rent expense on a straight-line basis over the non-cancelable term of its operating lease and records the difference between cash rent payments and the recognition of rent expense as a deferred rent liability. The Company also records landlord-funded lease incentives, such as reimbursable leasehold improvements, as a deferred rent liability, which is amortized as a reduction of rent expense over the non-cancelable term of its operating lease.

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Basic and Diluted Net Loss per Share of Common Stock

The Company uses the two-class method to compute net loss per common share because the Company has issued securities, other than common stock, that contractually entitle the holders to participate in dividends and earnings of the Company. The two-class method requires earnings for the period to be allocated between common stock and participating securities based upon their respective rights to receive distributed and undistributed earnings. Holders of each series of the Company's convertible preferred stock are entitled to participate in distributions, when and if declared by the board of directors that are made to common stockholders, and as a result are considered participating securities.

Segment and Geographic Information

Operating segments are defined as components of an enterprise (business activity from which it earns revenue and incurs expenses) about which discrete financial information is available and regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker ("CODM") is the Chief Executive Officer. The CODM reviews consolidated operating results to make decisions about allocating resources and assessing performance for the entire Company. The Company views its operations and manages its business as one operating segment. All assets of the Company were held in the United States for the years ended December 31, 2013 and 2012.

Although all operations are based in the United States, the Company generated a portion of its revenue from customers outside of the United States. Information about the Company's revenue from different geographic regions for the years ended December 31, 2013 and 2012 is presented as follows:

	Year Ended December 31,			
	2013		2012	
United States	$15,126	90%	$13,072	78%
Europe	1,626	10%	3,765	22%
Other non-US	105	0%	—	—
Total	$16,857	100%	$16,837	100%

All sales, including sales outside of the United States, are denominated in United States dollars.

3. Allowance for Bad Debts

A summary of activity in the allowance for bad debts for the years ended December 31, 2013 and 2012 is as follows:

	Balance at Beginning of Period	Additions Charged to Expense	Deductions	Balance at End of Period
Year ended December 31, 2012	$ 455	$ 50	$ (254)	$ 251
Year ended December 31, 2013	$ 251	$ —	$ (88)	$ 163

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4. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consist of the following:

	December 31,	
	2013	2012
Prepaid service contract	$ 86	$ 129
Prepaid insurance	97	83
Other prepaid expenses	301	201
Other current assets	5	8
	$ 489	$ 421

5. Property and Equipment

Property and equipment consists of the following:

	December 31,	
	2013	2012
Equipment	$ 9,577	$ 9,665
Furniture and fixtures	378	399
Leasehold improvements	13,115	13,115
Total property and equipment	23,070	23,179
Less accumulated depreciation	(17,669)	(16,895)
Property and equipment — net	$ 5,401	$ 6,284

Depreciation expense for the years ended December 31, 2013 and 2012 was $1,329 and $1,489, respectively.

6. Debt Obligations

Credit Facility Agreement

In April 2010, the Company entered into a $15,000 credit facility agreement with HSBC Bank (the "2010 Credit Agreement"). The agreement comprises a $5,000 term loan and a $10,000 revolving credit facility. Borrowings under the 2010 Credit Agreement carry interest at a rate of London InterBank Offered Rate plus 0.95% per annum. The weighted-average interest rate was 1.2% and 1.4% for the years ended December 31, 2013 and 2012, respectively. As of December 31, 2013 and 2012, both the $5,000 term loan and the $10,000 revolving credit facility were outstanding. The 2010 Credit Agreement required interest-only payments through March 2013. All outstanding borrowings under the agreement were due on March 11, 2013. The 2010 Credit Agreement was guaranteed by a related party that has an investment in the Company. The 2010 Credit Agreement contained no financial covenants.

On March 8, 2013, the Company entered into an agreement to amend the 2010 Credit Agreement with HSBC Bank (the "2013 Credit Agreement"). The 2013 Credit Agreement requires interest-only payments through December 2014. All outstanding borrowings under the agreement are due on December 31, 2014.

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Other significant terms of the 2010 Credit Agreement remained the same. The 2013 Credit Agreement is guaranteed by a related party that has an investment in the Company (Note 18).

At the inception of the 2010 Credit Agreement, a deemed contribution in relation to the guarantee of the 2010 Credit Agreement was recognized as deferred financing costs and amortized over the life of the loan. The value of the guarantee was determined based on the difference between the loan's stated interest rate and the interest rate that would apply if there had been no guarantee from the related party. The Company determined the value of the 2010 Credit Agreement guarantee to be $6,338, which was amortized over the original life of the loan. The 2013 Credit Agreement represents a new loan, and the Company determined that the value of the extended guarantee under the 2013 Credit Agreement is $3,930, which is being amortized over the term of the 2013 Credit Agreement.

Future Debt Maturities

Future debt maturities as of December 31, 2013 are as follows:

2014	$15,000
Total	$15,000

Note and Warrant Purchase Agreements

In December 2011, the Company executed a Note and Warrant Purchase Agreement (the "December 2011 Note and Warrant Agreement") to issue convertible notes in an aggregate amount not to exceed $15,000. In 2011 and 2012, the Company issued convertible notes (the "2011-2012 Notes") with a total principal amount of $11,444 to related parties that hold investments in the Company. The 2011-2012 Notes included warrants to purchase 132,679 shares of the Company's common stock at $0.04 per share.

The 2011-2012 Notes were convertible into shares of the Company's stock through different methods, including:

- In the event the Company issues and sells shares of its equity securities to investors on or before June 30, 2012, in an equity financing with total proceeds actually received by the Company of not less than $25,000, including the conversion of the aggregate principal amount and all unpaid accrued interest outstanding under the convertible notes (a "Qualified Financing"), the outstanding principal balance of the convertible notes shall automatically convert in whole without any further action by the noteholders into such equity securities at a price equal to 85% of the issue price of such equity securities. Equity securities shall mean any series of preferred stock that (i) ranks pari passu or senior to the Company's Series C-2 convertible preferred stock upon any liquidation, dissolution or winding-up of the Company and upon any acquisition or asset transfer and (ii) is convertible into shares of common stock of the Company. This conversion option is no longer available given it expired on June 30, 2012.
- Upon the occurrence of either an acquisition or asset transfer, the entire outstanding principal balance of the convertible notes shall, at the option of the noteholder, either (i) become fully due and payable, provided however that the repayment shall also require prior written consent of the noteholder majority and HSBC Bank, or (ii) convert into whole shares of the Company's Series D-1 convertible preferred stock or Series D-2 convertible preferred stock, as applicable, at a conversion price equal to $4.3125

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per share subject to proportionate and equitable adjustment upon any stock split, stock dividend, reverse stock split or other similar event.

- Upon closing by the Company of any equity financing that is not a Qualified Financing, the entire principal balance of the convertible notes and all unpaid accrued interest shall, at the sole option of the noteholder, convert in whole into the same class or type of equity securities sold by the Company in connection with such equity financing. The conversion price shall be at a conversion price that is equal to the price paid by the investors participating in such equity financing and shall otherwise be on the same terms and conditions applicable to such investors.
- Upon written consent of the Company and noteholder majority, the aggregate principal balance of the convertible notes and all accrued interest shall be automatically converted into shares of the Company's Series D-1 convertible preferred stock or Series D-2 convertible preferred stock as applicable pursuant to the conversion price detailed above at any time on or after December 31, 2012.

None of the events that trigger conversion of the convertible notes occurred during the year ended December 31, 2012. Total notes payable due as of December 31, 2012 were classified as current and amounted to $11,444.

In June 2013, the Company executed another Note and Warrant Purchase Agreement (the "June 2013 Note and Warrant Agreement") with certain existing lenders. Under the June 2013 Note and Warrant Agreement, the lenders agreed to loan to the Company up to $1,500 in exchange for convertible notes (the "June 2013 Notes"). The Company issued June 2013 Notes for an aggregate amount of $899. In addition, the Company agreed to issue warrants to purchase shares of the Company's common stock upon the request of a majority of the noteholders. The warrants were issued in December 2013, as further described below. The June 2013 Notes were convertible into shares of the Company's stock through the same methods as described above for the 2011-2012 Notes. In addition, the June 2013 Notes include conversion of the entire outstanding principal and interest balance into equity securities upon the closing of any equity financing at the option of the noteholders.

The 2011-2012 Notes and June 2013 Notes bear interest at a rate of 8% per annum and contain no financial covenants. The outstanding principal amount and unpaid accrued interest on the convertible notes issued under the December 2011 Note and Warrant Agreement and the June 2013 Note and Warrant Agreement were due on December 31, 2012 and December 31, 2013, respectively, contingent upon (i) the prior written consent of holders of at least 70% of the outstanding aggregated principal amount of the convertible notes issued under the same agreement, and (ii) the prior written consent of HSBC Bank for so long as any of the principal and interest related to the 2010 Credit Agreement or the 2013 Credit Agreement remained outstanding.

On the date of issuance, the fair value of warrants issued in the year ended December 31, 2012 under the December 2011 Note and Warrant Agreement was $328. The fair value of these warrants was accounted for as debt discount and amortized to expense over the stated term of the 2011-2012 Notes. The fair value of the obligation to issue warrants in connection with the June 2013 Notes was $1,168. The fair value of the obligation to issue warrants was $269 above the face value of the June 2013 Notes and this excess was expensed at issuance. The $899 remaining amount of the fair value of the obligation to issue warrants was

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accounted for as a debt discount and was amortized to expense over the term of the June 2013 Notes. The amount of the discount related to the 2011-2012 Notes' warrants and the June 2013 Notes' obligation to issue warrants that was amortized to expense for the years ended December 31, 2013 and 2012 was $1,168 and $613, respectively.

On December 11, 2013, holders of the June 2013 Notes elected to receive and the Company issued warrants to purchase 453,845 shares of the Company's common stock at $0.04 per share. In addition, the holders elected to convert the June 2013 Notes into shares of Series D-2 convertible preferred stock. Under the election, the outstanding principal and accrued interest balance of $899 and $33, respectively, was converted into 665,542 shares of Series D-2 convertible preferred stock at a conversion price of $1.40 per share. Consistent with the original terms of the June 2013 Notes, the conversion price was adjusted to $1.40 per share because the Company issued additional equity shares at a price less than the conversion price of the Series D-2 convertible preferred stock in effect at the time the Company issued the June 2013 Notes (Note 9).

Also on December 11, 2013, the holders elected to convert the 2011-2012 Notes into shares of Series D-1 and Series D-2 convertible preferred stock. Under the election, the outstanding principal and accrued interest balance of $11,444 and $1,640, respectively, was converted into 6,054,255 shares of Series D-1 convertible preferred stock and 3,291,443 shares of Series D-2 preferred stock at a conversion price of $1.40 per share. Consistent with the original terms of the 2011-2012 Notes, the conversion price was adjusted to $1.40 per share because the Company issued additional equity shares at a price less than the conversion price of the Series D-1 and Series D-2 convertible preferred stock in effect at the time the Company issued the 2011-2012 Notes (Note 9).

Because the Company adjusted the original conversion price on the 2011-2012 Notes and the June 2013 Notes from $4.3125 to $1.40, the Company recorded additional interest expense of $10,802 as a result of the beneficial conversion for the antidilution adjustment on the Series D-1 convertible preferred stock and the Series D-2 convertible preferred stock. The intrinsic value of the beneficial conversion feature is calculated by multiplying the incremental number of shares of Series D-1 and Series D-2 convertible preferred stock the investors received (as a result of the Company reducing the conversion price to $1.40) by the estimated fair value of the Series D-1 and the Series D-2 convertible preferred stock on the commitment date. Because the intrinsic value of the beneficial conversion feature was greater than the proceeds allocated to the 2011-2012 Notes and the June 2013 Notes, the amount recognized for the beneficial conversion feature was limited by the amount of the proceeds allocated to the convertible notes.

7. Accrued Expenses

Accrued expenses consist of the following:

	December 31,	
	2013	2012
Accrued research and development expenses	$ 102	$ 440
Interest payable	23	30
Employee withholdings	61	63
Other accrued expenses	872	278
	$1,058	$ 811

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8. Commitments and Contingencies

Leases

The Company leases its facilities and certain office equipment under long-term non-cancelable operating leases. The Company's lease for its primary North Carolina facility expires in 2019. The lease agreement includes a renewal option to extend the lease through March 31, 2024.

Rent expense was approximately $906 and $1,049 for the years ended December 31, 2013 and 2012, respectively. Future minimum lease payments for all operating leases as of December 31, 2013 are as follows:

2014	$1,032
2015	1,075
2016	1,104
2017	1,123
2018	1,156
Thereafter	291
Total	$5,781

Contingencies

A former client alleged that the Company breached its service agreement with the former client and requested that the Company pay $443 in compensation. On October 9, 2013, the Company agreed to settle the claim for $195. The settlement was covered by the Company's intellectual property insurance provider and releases the Company from any further claims or demands.

License Arrangement with Potential Future Expenditures

As of December 31, 2013, the Company had a license arrangement with Merck that involves potential future expenditures. Under the terms of the license agreement, Merck is eligible to receive milestone payments from the Company upon initiation of phase 2 and 3 clinical studies, new drug application, and marketing approvals in each of the U.S., major European markets and Japan that could total $19,000. In addition, Merck is eligible to receive tiered royalties from the Company based on a percentage of worldwide net sales of SCY-078. The aggregate royalties are mid- to high-single digits. The Company has two additional licensing agreements that could require it to make payments of up to $2,300 upon achievement of certain milestones by the Company.

9. Convertible Preferred Stock

Convertible preferred stock has par value $0.001 and was issued beginning in 2000. Each issuance is briefly described as follows:

Series A Convertible Preferred Stock ("Series A Preferred")

In 2000, the Company issued 31,407 shares of Series A Preferred at $7.96 per share to initial employees and consultants of SCYNEXIS.

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Series B Convertible Preferred Stock ("Series B Preferred")

In 2000, the Company issued 600,999 shares of Series B Preferred at $9.01 per share in exchange for $2,200 in equipment, intellectual property, and conversion of existing debt, and $3,215 in cash, and incurred issuance costs of $43. Subsequently in 2000, the Company issued an additional 110,988 shares of Series B convertible preferred stock at $9.01 per share for cash. As part of the issuance of the Series C convertible preferred stock in June 2002, the holders of Series B Preferred agreed to modify the redemption feature of the Series B Preferred to eliminate this feature. As described below, 244,173 shares of Series B Preferred were mandatorily converted into common stock during 2012.

Series C Convertible Preferred Stock ("Series C Preferred") and Warrants

The Company issued warrants to purchase 100,524 shares of Series C Preferred in conjunction with certain bridge loan financings during 2001 and the subsequent 2002 Series C Preferred financing. The warrants were issued with an exercise price of $0.01 per share. Two of the investors exercised such warrants during 2003.

In 2002, the Company issued 2,867,154 shares of Series C Preferred for $24,000 in cash and the conversion of approximately $4,513 of 4.5% convertible notes and accrued interest, less issuance costs of approximately $86. As described below, 197,045 shares of Series C Preferred were mandatorily converted into common stock during 2012. In January 2005, the remaining warrants to purchase 23,911 shares of Series C Preferred shares were exercised.

Series C-1 Convertible Preferred Stock ("Series C-1 Preferred") and Warrants

In August 2004, the Company received cash of $3,200 for the issuance of 984,615 shares of Series C-1 Preferred. As described below, these Series C-1 Preferred shares were mandatorily converted into common stock during 2012.

In July 2006, the Company issued warrants to purchase 196,923 shares of Series C-1 Preferred in conjunction with a loan financing agreement. The warrants were issued with an exercise price of $3.25 per share and expire on July 14, 2016. The fair value at the date of grant for these instruments was $459, which was recorded as a debt discount. The debt discount related to these warrants was fully amortized as of December 31, 2010. The Company determined that the warrants should be recorded as a derivative liability and stated at fair value at each reporting period. The Company recorded other income of $115 and $79 for the years ended December 31, 2013 and 2012, respectively, related to the fair value adjustment for these warrants.

Series C-2 Convertible Preferred Stock ("Series C-2 Preferred")

In March 2008, the Company received cash of $13,500 for the issuance of 2,347,826 shares of Series C-2 Preferred.

Series D-1 Convertible Preferred Stock ("Series D-1 Preferred) and Series D-2 Convertible Preferred Stock ("Series D-2 Preferred")

On December 11, 2013, the Company entered into an agreement to sell 1,785,712 shares of Series D-2 Preferred at $1.40 per share for an aggregate price of $2,500 (the "Series D-2 Purchase Agreement"), less issuance costs of $95. The Series D-2 Purchase Agreement also included warrants to purchase 446,427

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shares of the Company's common stock at $0.04 per share. The fair value of the warrants on the date of issuance was $4,214, which was recorded as a discount to the Series D-2 Preferred. The fair value of the warrants was $1,714 above the face amount of the Series D-2 Preferred and this excess was expensed to derivative fair value adjustment at issuance. The Company calculated the fair value of the warrants as the difference between the estimated fair value of the common stock on December 11, 2013 of $9.48 per share and the exercise price per share of $0.04 multiplied by the number of shares of common stock issuable upon exercise of the warrants of 446,427. The Company determined that the warrants should be classified as a derivative liability and stated at fair value at each reporting period. For the year ended December 31, 2013, other income related to the fair value adjustment of these warrants was insignificant.

The Series D-2 Preferred is convertible into shares of common stock at a conversion price of $5.60 per share and the fair value of the common stock on December 11, 2013 was $9.48. A convertible financial instrument includes a beneficial conversion feature if its conversion price is lower than the Company's stock price (i.e., it's in the money) at the commitment date. Therefore, the Company determined that the sale of the Series D-2 Preferred resulted in a beneficial conversion feature with an intrinsic value of $4,232, which the Company recorded as a reduction to additional paid-in capital upon the sale of the Series D-2 Preferred. The Company calculated the intrinsic value of the beneficial conversion feature as the difference between the estimated fair value of the common stock on December 11, 2013 of $9.48 per share and the effective conversion price per share of $0 multiplied by the number of shares of common stock issuable upon exercise of the warrants of 446,427.

Concurrent with the sale of the Series D-2 Preferred, the Company modified the terms of the 2011-2012 Notes and the related warrants and the June 2013 Notes and related warrants (Note 6). Under the amendments, the outstanding principal and accrued interest balance was converted into Series D-1 Preferred and Series D-2 Preferred at a conversion price of $1.40 per share. As a result of the conversions, the Company issued 6,054,255 shares of Series D-1 Preferred and 3,956,985 shares of Series D-2 Preferred.

Authorized, Issued, and Outstanding Preferred Shares

The following table summarizes authorized, issued, and outstanding preferred shares as of December 31, 2013:

	Authorized	Outstanding	Issue Price	Liquidation Preference
Series A Preferred	31,410	31,407	$ 7.96	$ 250
Series B Preferred	711,987	467,814	9.01	4,215
Series C Preferred	2,967,678	2,770,633	10.15	28,121
Series C-1 Preferred	3,076,923	—	3.25	—
Series C-2 Preferred	2,347,826	2,347,826	5.75	13,500
Series D-1 Preferred	10,000,000	6,054,255	1.40	16,952
Series D-2 Preferred	10,000,000	5,742,697	1.40	24,119
Total	29,135,824	17,414,632		$ 87,157

At December 31, 2013, the convertible preferred stock has been adjusted to reflect the liquidation values shown in the table above.

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Preferred Stock Activity

The following table summarizes preferred stock activity for the years ended December 31, 2013 and 2012:

	Shares of						
	Series A Convertible Preferred Stock	Series B Convertible Preferred Stock	Series C Convertible Preferred Stock	Series C-1 Convertible Preferred Stock	Series C-2 Convertible Preferred Stock	Series D-1 Convertible Preferred Stock	Series D-2 Convertible Preferred Stock
Balance, January 1, 2012	31,407	711,987	2,967,678	984,615	2,347,826	—	—
Conversion into common stock	—	(244,173)	(197,045)	(984,615)	—	—	—
Balance, December 31, 2012	31,407	467,814	2,770,633	—	2,347,826	—	—
Issuance of Series D-2 Preferred	—	—	—	—	—	—	1,785,712
Conversion of notes payable	—	—	—	—	—	6,054,255	3,956,985
Balance, December 31, 2013	31,407	467,814	2,770,633	—	2,347,826	6,054,255	5,742,697

Significant terms of the convertible preferred stock are as follows:

Voting rights

Each share has the right to vote equal to the number of shares of common stock into which it is convertible. Additionally, the approval of 65% of the Series B Preferred, Series C Preferred, and Series C-2 Preferred stockholders, voting as separate classes, is required to change any bylaws; issue stock or securities with a preference to Series B Preferred, Series C Preferred, and Series C-2 Preferred; change any rights, preferences and privileges of Series B Preferred, Series C Preferred, and Series C-2 Preferred; or change the number of directors outside a range. Furthermore, the approval of 65% of the Series C Preferred stockholders is required to liquidate, sell, or merge the Company.

Approval of 70% of the Series D-1 Preferred and the Series D-2 Preferred (the "Series D Preferred") stockholders, voting as a separate class, is required to change any bylaws; issue stock or securities with a preference to Series D Preferred; enter into a merger without loss of control by existing shareholders of the Company; or change any rights, preferences and privileges of Series D Preferred.

Dividend rights

Holders of Series D Preferred are entitled to receive 8% of the original issue price per annum as a dividend on a "when and if" declared basis in preference to any dividend paid to other convertible preferred or common stockholders. Such dividends are payable only when, and if, declared by the Board of Directors and are noncumulative.

After payment of the 8% Series D Preferred dividend, holders of all series of convertible preferred stock are entitled to receive dividends declared by the Board of Directors in preference to any dividend paid to common stockholders. Each share of preferred stock is entitled to the same amount as would have been declared or paid thereon had the holder thereof elected to convert the same into shares of common stock.

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Liquidation rights

Holders of Series D-1 Preferred and Series D-2 Preferred have a liquidation preference of two and three times the original issue price plus all declared and unpaid dividends adjusted for events of dilution, respectively. Holders of Series A Preferred, Series B Preferred, Series C Preferred, Series C-1 Preferred, and Series C-2 Preferred have liquidation preferences of $7.96, $9.01, $10.15, $3.25, and $5.75 per share, plus declared but unpaid dividends adjusted for events of dilution, respectively. Upon occurrence of a liquidation event, Series D-1 Preferred and Series D-2 Preferred participate pari passu; then Series C-2 Preferred, Series C-1 Preferred, and Series C Preferred participate pari passu; then Series B Preferred; then Series A Preferred would receive their liquidation preference; and the remaining assets would be distributed ratably to the preferred and common stockholders on an “as converted” basis.

Conversion rights

Each share of Series A Preferred is convertible into one share of common stock. Each share of Series B Preferred and Series C Preferred is convertible into 1.4 shares of common stock as of December 31, 2013, subject to adjustment for events of dilution, at the option of the holder at any time after the date of issuance.

Each share of Series C-1 Preferred and Series C-2 Preferred is convertible into 0.4 shares of common stock as of December 31, 2013, subject to adjustment for events of dilution, at the option of the holder at any time after the date of issuance. Each share of Series D-1 Preferred and Series D-2 Preferred is convertible into 0.25 shares of common stock as of December 31, 2013, subject to adjustment for events of dilution, at the option of the holder at any time after the date of issuance.

Series A Preferred will convert automatically into common stock at the conversion price upon completion of a public offering of the common stock of the Company (Note 18).

Shares of Series B Preferred will convert automatically into common stock at the conversion price upon completion of a public offering of common stock with aggregate proceeds not less than $15,000 and at a price per share of not less than $36.04 (Note 18).

Shares of Series C Preferred, Series C-1 Preferred, and Series C-2 Preferred will convert automatically into common stock at the conversion price upon completion of a public offering of common stock with aggregate proceeds not less than $30,000 and at a price per share of not less than $44.00 (Note 18).

Shares of Series D Preferred will convert automatically into common stock at the conversion price upon completion of a public offering of common stock with aggregate proceeds not less than $30,000 and an IPO pre-money value of at least $250,000 (Note 18).

The conversion price for Series B Preferred, Series C Preferred, Series C-1 Preferred, Series C-2 Preferred, and Series D Preferred are subject to adjustment if the Company issues additional shares of common stock at a price less than the Series B Preferred, Series C Preferred, Series C-1 Preferred, Series C-2 Preferred, and Series D Preferred conversion prices in effect at the time of the sale.

With the sale of the Series D-2 Preferred on December 11, 2013 at a price of $1.40 per share, the antidilution provisions associated with the Series B Preferred, the Series C Preferred, the Series C-1 Preferred, and the Series C-2 Preferred were triggered. As of December 11, 2013, the conversion price of the Series B Preferred, the Series C Preferred, the Series C-1 Preferred, and the Series C-2 Preferred were reduced from $9.01, $10.15, $13.00, and $23.00, respectively, to $6.3316, $7.1056, $9.0412, and $15.4828, respectively.

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The Company recorded a deemed dividend as a reduction to additional paid-in capital of $6,402 as a result of the beneficial conversion for the antidilution adjustment on the outstanding shares of Series B Preferred, Series C Preferred, and Series C-2 Preferred. The intrinsic value of the beneficial conversion feature is calculated by multiplying the incremental number of shares of the respective convertible preferred stock the investors received (as a result of the Company reducing the original conversion price) by the estimated fair value of the common stock on the issuance date of the respective convertible preferred stock. A deemed dividend for the beneficial conversion feature on the conversion of the 2011-2012 Notes into shares of Series D-1 Preferred was recorded as additional interest expense (Note 6). No shares of Series C-1 Preferred are outstanding and, therefore, no beneficial conversion feature was recognized for the Series C-1 Preferred.

In conjunction with the issuance of the 2011-2012 Notes and related warrants, the Company implemented a special mandatory conversion provision. Under this provision, preferred stockholders that met certain ownership criteria who elected not to purchase their pro rata amount of the convertible note round had their preferred shares converted into common stock in 2012.

Redemption

Upon liquidation, dissolution, or winding up of the Company, the holders of the Series D-2 Preferred receive an amount equal to three times the original issue price plus all declared and unpaid dividends; the holders of the Series D-1 Preferred receive an amount equal to two times the original issue price plus all declared and unpaid dividends; and the holders of the Series C-2 Preferred, Series C-1 Preferred, Series C Preferred, Series B Preferred, and the Series A Preferred receive an amount equal to the original issue price plus all declared and unpaid dividends. In addition, after receiving their liquidation preference, the holders of all series of preferred stock share ratably with holders of common stock on an as-if-converted to common stock basis. An asset transfer or acquisition of the Company is a deemed liquidation event in that holders of all series of preferred stock are treated in the same manner as upon liquidation, dissolution, or winding up of the Company. As a result of the existence of this deemed liquidation feature, the Company determined that all series of preferred stock are redeemable. They are carried at liquidation value at each reporting period and excluded from stockholders' deficit in the accompanying balance sheets.

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10. Common Stock

Authorized, Issued, and Outstanding Common Shares

The Company's common stock has a par value of $0.001 per share and consists of 70,000,000 and 54,000,000 authorized shares at December 31, 2013 and 2012, respectively, and 1,704,026 and 1,712,768 shares issued and outstanding at December 31, 2013 and 2012, respectively. At December 31, 2013, the Company had reserved a total of 10,814,263 of its authorized 70,000,000 shares of common stock for future issuance as follows:

For conversion of Series A Preferred, Series B Preferred, Series C Preferred, Series C-2 Preferred, Series D-1 Preferred, and Series D-2 Preferred and exercise of warrants to purchase Series C-1 Preferred and subsequent conversion of the shares purchased	8,546,773
Outstanding stock options	702,276
Outstanding common stock warrants	1,312,037
For possible future issuance under stock option plan	253,177
Total common shares reserved for future issuance	10,814,263

Common Stock Activity

The following table summarizes common stock shares activity for the years ended December 31, 2013 and 2012:

	Shares of Common Stock
Balance, January 1, 2012	1,016,818
Exercise of stock options	1,671
Preferred stock conversion	694,279
Balance, December 31, 2012	1,712,768
Exercise of stock options	1,125
Repurchase of common stock	(9,867)
Balance, December 31, 2013	1,704,026

Liquidation Rights

In the event of any liquidation or dissolution of the Company, the holders of the common stock are entitled to share ratably with holders of the series of outstanding preferred stock, on an as-if-converted to common stock basis, in the remaining assets of the Company legally available for distribution after the payment of the full liquidation preference for all series of the outstanding preferred stock.

Dividends and Voting Rights

The holders of the common stock are entitled to receive dividends if and when declared by the Company, but not until all dividends on the preferred stock have been either (i) paid or (ii) declared and the Company has set aside the funds to pay those dividends declared. The holders of the common stock have the right to one vote per share.

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Warrants

In 2007, in connection with the procurement of a debt financing agreement used to purchase equipment during that year, the Company issued warrants to purchase 3,077 shares of common stock. The warrants were issued with an exercise price of $13.00 per share and will expire on September 14, 2014. The fair value at the date of grant for these instruments was insignificant.

In 2012 and 2011, in connection with the issuance of the 2011-2012 Notes, the Company issued warrants to purchase 132,679 shares of common stock (Note 6). The warrants may be exercised into common stock at the earliest of:

(i) the date the related convertible notes are converted in accordance with the terms disclosed in Note 6,

(ii) the date the related convertible notes are repaid or prepaid in full in accordance with the terms disclosed in Note 6, and

(iii) June 30, 2012.

These warrants will expire on June 30, 2017, and they are exercised automatically upon an IPO. The exercise price of the warrants is $0.04 per share of common stock and the number of shares of common stock that may be purchased by exercising the warrants is calculated as follows:

- If a related convertible note is converted pursuant to and in accordance with the terms above, then the number of shares of common stock shall be equal to the quotient of (A) the product of (i) 20% multiplied by (ii) the principal amount of the convertible note divided by (B) the applicable per share conversion price at which the related convertible note is so converted; or
- If a related convertible note is repaid or prepaid in full prior to the conversion thereof pursuant to and in accordance with the terms above, then the number of shares of common stock shall be equal to the quotient of (A) the product of (i) 20% multiplied by (ii) the principal amount of the convertible note divided by (B) $17.25 (subject to proportionate adjustment upon any adjustment to the Series D-1 Preferred or Series D-2 Preferred conversion price); or
- If a warrant is first exercised at any time after June 30, 2012, and such first exercise of the warrant occurs prior to the conversion, repayment or prepayment of the related convertible note pursuant to and in accordance with the terms above, then the number of shares of common stock shall be equal to the quotient of (A) the product of (i) 20% multiplied by (ii) the principal amount of the convertible note divided by (B) $17.25 (subject to proportionate adjustment upon any adjustment to the Series D-1 Preferred or Series D-2 Preferred conversion price).

On December 11, 2013, holders of the June 2013 Notes, under the June 2013 Note and Warrant Agreement, requested to receive warrants to purchase shares of the Company's common stock. As a result of this request, the Company issued warrants to purchase 453,845 shares of the Company's common stock to the holders of the June 2013 Notes at an exercise price of $0.04 per share. These warrants are exercisable from date of issuance until June 28, 2018, and they are exercised automatically upon an IPO.

On December 11, 2013, in connection to the Series D-2 Purchase Agreement (Note 9), the Company issued warrants to purchase 446,427 shares of the Company's common stock at an exercise price of $0.04 per share. These warrants are exercisable from date of issuance until December 11, 2018. In addition, as a result of the conversion of the principal and interest outstanding on the 2011-2012 Notes into Series D-1

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Preferred and Series D-2 Preferred (Note 6), in accordance with the amended terms of the agreement, the number of common shares underlying the warrants issued in connection with the 2011-2012 Notes was increased by 276,009 to a total of 408,688.

There were no warrants exercised for the years ended December 31, 2013 and 2012.

These warrants meet the definition of a derivative financial instrument and are accounted for as derivatives. The combined fair values of the common stock warrant derivative liabilities is $12,200 and $525 as of December 31, 2013 and 2012, respectively, and are recorded as a long-term derivative liability in the accompanying balance sheets. The Company recorded other expense of $8,007 and other income of $106 for the years ended December 31, 2013 and 2012, respectively, related to the fair value adjustment of the long-term derivative liability for common stock warrants.

11. Stock-based Compensation

The Company has a share-based compensation plan. The compensation cost that has been charged against income for this plan for the years ended December 31, 2013 and 2012 was $180 and $358, respectively. The total income tax benefit recognized in the statements of operations for share-based compensation arrangements was $0 for 2013 and 2012. Cash received or receivable from options exercised was $5 and $7 for the years ended December 31, 2013 and 2012, respectively.

Under the Company's stock option plan, the Company may grant options to purchase up to approximately 1,031,435 shares of common stock to employees, directors, and consultants as either incentive stock options or nonqualified stock options. Incentive stock options may be granted with exercise prices not less than 100% to 110% of the fair market value of the common stock. Options granted under the plan generally vest over three to four years and expire in 10 years from the date of grant.

Stock-based compensation expense related to stock options is included in the following line items in the accompanying statements of operations:

	Year Ended December 31,	
	2013	2012
Cost of revenue	$ 45	$ 103
Research and development	28	40
Selling, general and administrative	107	215
	$ 180	$ 358

The fair value of a stock option is estimated using an option-pricing model that takes into account as of the grant date the exercise price and expected life of the option, the current price of the underlying stock and its expected volatility, expected dividends on the stock, and the risk-free interest rate for the expected term of the option. The Company has used the simplified method in calculating the expected term of all option grants based on the vesting period. Compensation costs related to share-based payment transactions are recognized in the financial statements upon satisfaction of the requisite service or vesting requirements. Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The Company based its estimated forfeiture rate on historical forfeitures of all stock option grants.

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The Company has elected to use the Black-Scholes option-pricing model. The Black-Scholes option-pricing model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable rather than for use in estimating the fair value of stock options subject to vesting and transferability restrictions. Using the Black-Scholes option-pricing model, the weighted-average fair value of options granted during 2013 and 2012 was $4.92 and $2.72 per option, respectively. The aggregate fair value of options granted during 2013 and 2012 was $290 and $277, respectively. The assumptions used to estimate fair value and the resulting grant date fair values are as follows:

	Employees		Nonemployees	
	Year Ended December 31,		Year Ended December 31,	
	2013	2012	2013	2012
Expected dividend yield	—	—	—	—
Expected volatility	65.49%	64.10%	65.49%	64.10%
Risk-free interest rate	1.99 —2.33%	0.98 — 1.28%	1.40 —1.66%	0.98 — 1.28%
Expected term (in years)	6.49	6.13 — 6.49	5.00	5.00
Forfeiture rate	5.00%	5.00%	5.00%	5.00%

The activity of the plan for the years ended December 31, 2013 and 2012 is summarized as follows:

	Number of Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding — January 1, 2012	941,462	$ 4.44	5.05	$ 1,458
Granted	101,308	4.80		
Exercised	(1,671)	4.08		
Canceled	(253,787)	4.36		
Outstanding — December 31, 2012	787,312	$ 4.52	5.02	$ 213
Exercisable — December 31, 2012	643,581	$ 4.40	4.14	$ 262
Vested or expected to vest — December 31, 2012	780,131	$ 4.28	4.47	$ 218
Outstanding — January 1, 2013	787,312	$ 4.52	5.02	$ 213
Granted	58,804	9.88		
Exercised	(1,125)	4.12		
Canceled	(142,715)	4.08		
Outstanding — December 31, 2013	702,276	$ 5.07	5.23	$ 3,097
Exercisable — December 31, 2013	589,363	$ 4.56	4.50	$ 2,898
Vested or expected to vest —December 31, 2013	693,611	$ 5.04	5.18	$ 3,084

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The intrinsic values in the table above represent the total intrinsic value (the difference between the Company's estimated fair value of common stock as of December 31, 2013 and 2012, and the exercise price multiplied by the number of options). The intrinsic value amounts presented above can be positive or negative based on the average exercise price being greater or less than the estimated fair value of common stock as of December 31, 2013 and 2012.

Information as of December 31, 2013, concerning currently outstanding and vested options is as follows:

	Outstanding		Exercisable	
Exercise Price	Number of Shares	Weighted-Average Remaining Contractual Life (in years)	Number of Shares	Weighted-Average Remaining Contractual Life (in years)
$4.00	314,635	2.52	311,760	2.45
4.80	98,808	8.69	61,486	8.63
5.00	82,262	5.31	82,262	5.31
5.08	72,875	6.53	72,875	6.53
6.00	82,946	7.30	60,980	7.30
10.80	50,750	9.97	—	—
	702,276	5.23	589,363	4.50

The total fair value of shares vested during the years ended December 31, 2013 and 2012 was $801 and $716, respectively.

Unvested shares as of December 31, 2013 and 2012 are as follows:

	As of December 31	
	2013	2012
Exercise Price	Number of Unvested Shares	Number of Unvested Shares
$4.00	2,875	—
4.80	37,322	81,800
5.00	—	474
5.08	—	27,813
6.00	21,966	33,644
10.80	50,750	—
	112,913	143,731

As of December 31, 2013 and 2012, there was approximately $404 and $316, respectively, of total unrecognized compensation cost related to unvested share-based compensation arrangements granted under the plan. That cost is expected to be recognized over a weighted-average period of 1.8 years for the years ended December 31, 2013 and 2012. The aggregate intrinsic value of the options exercised during the years ended December 31, 2013 and 2012 was $6 and $1, respectively.

SCYNEXIS, INC.

NOTES TO THE FINANCIAL STATEMENTS — (Continued)
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At December 31, 2013 and 2012, 253,177 and 169,266 options, respectively, were available for grant.

12. Income Taxes

The Company's financial statements include a total tax expense of $0 on a net loss of $30,461 and $11,477 for the years ended December 31, 2013 and 2012, respectively. A reconciliation of the difference between the benefit for income taxes and income taxes at the statutory U.S. federal income tax rate is as follows:

	Year Ended December 31,			
	2013		2012	
	Amount	Percent of Pretax Income	Amount	Percent of Pretax Income
Income taxes at statutory rate	$(10,356)	34.0%	$ (3,902)	34.0%
State income taxes	(127)	0.5%	(409)	3.6%
Beneficial conversion feature on convertible notes	3,673	(12.1)%	—	0.0%
Stock warrant derivative liability	2,686	(8.8)%	—	0.0%
Debt discount amortization	392	(1.3)%	—	0.0%
Deemed contribution interest	1,516	(5.0)%	718	(6.3)%
Provision to return adjustments	(184)	0.6%	(388)	3.4%
Stock compensation	57	(0.2)%	102	(0.9)%
Expiration of capital loss carryforward.	1,511	(5.0)%	—	0.0%
Change in statutory state income tax rate	1,000	(3.3)%	—	0.0%
Change in reserve for uncertain tax positions	623	(2.0)%	—	0.0%
Other	3	0.0%	96	(0.8)%
Increase in valuation allowance	(794)	2.6%	3,783	(33.0)%
	$ —	—	$ —	—

SCYNEXIS, INC.

NOTES TO THE FINANCIAL STATEMENTS — (Continued)
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The components of deferred tax assets and liabilities are as follows:

	December 31,	
	2013	2012
Current deferred tax assets (liabilities):		
Accrued expenses	$ 1,286	$ 908
Stock-based compensation	241	244
Other	88	126
Accrued professional fees	—	(9)
	1,615	1,269
Noncurrent deferred tax assets (liabilities)		
Net operating loss carryforwards	26,286	25,182
Capital loss carryforwards	—	1,713
Research and development credits	2,373	2,228
Depreciation	1,201	1,156
Deferred financing costs	(800)	—
Derivative liability	—	(79)
	29,060	30,200
Total deferred tax assets	30,675	31,469
Valuation allowance	(30,675)	(31,469)
Net deferred tax asset	$ —	$ —

As of December 31, 2013 and 2012, the Company had federal net operating loss (NOL) carryforwards of approximately $71,757 and $64,804, respectively, North Carolina net economic loss (NEL) carryforwards of approximately $75,990 and $69,204, respectively, and Pennsylvania NOL carryforwards of approximately $80 and $80, respectively. The federal NOL, North Carolina NEL, and Pennsylvania NOL carryforwards begin to expire in 2020, 2015, and 2022, respectively. At December 31, 2013, the Company had federal research and development credit carryforwards of $2,095 and North Carolina credit carryforwards of $270, which begin to expire in 2020 and 2015, respectively.

At December 31, 2013 and 2012, the Company has concluded that it is more likely than not that the Company will not realize the benefit of its deferred tax assets due to its history of losses. Accordingly, the net deferred tax assets have been fully reserved.

In accordance with Section 382 of the Internal Revenue Code of 1986, as amended, a change in equity ownership of greater than 50% within a three-year period results in an annual limitation on the Company's ability to utilize its NOL carryforwards created during the tax periods prior to the change in ownership. The Company has determined that ownership changes have occurred and as a result, a portion of the Company's NOL carryforwards are limited.

Because the Company has incurred cumulative net operating losses since inception, all tax years remain open to examination by U.S. federal and state income tax authorities.

SCYNEXIS, INC.

NOTES TO THE FINANCIAL STATEMENTS — (Continued)
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The Company adopted FASB Accounting Standards Codification 740-10-25-5, *Income Taxes*, formerly FASB Interpretation No. 48, *Accounting for Uncertainty in Income Taxes*, as amended, on January 1, 2009. The difference between the tax benefit recognized in the financial statements and the tax benefit claimed in the tax return is referred to as an unrecognized tax benefit.

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits:

	December 31,	
	2013	2012
Unrecognized tax benefit—January 1	$ —	$ —
Additions for tax positions of current period	333	—
Additions for tax positions of prior periods	290	—
Other	—	—
Unrecognized tax benefit—December 31	$ 623	$ —

None of the unrecognized tax benefits would, if recognized, affect the effective tax rate because the Company has recorded a valuation allowance to fully offset federal and state deferred tax assets. The Company has no tax positions for which it is reasonably possible that the total amount of unrecognized tax benefits will significantly increase or decrease within the coming year. The Company has not provided for interest and penalties associated with uncertain tax positions.

13. Net Loss Per Share Attributable to Common Stockholders

The following table summarizes the computation of basic and diluted net loss per share attributable to common stockholders of the Company (in thousands, except share and per share data):

	Year Ended December 31,	
	2013	2012
Net loss	$ (30,461)	$ (11,477)
Deemed dividend for beneficial conversion feature on Series D-2 Preferred	(4,232)	—
Deemed dividend for antidilution adjustments to convertible preferred stock	(6,402)	—
Accretion of convertible preferred stock to redemption value	(5,714)	—
Net loss attributable to common stockholders—basic and diluted	$ (46,809)	$ (11,477)
Weighted-average number of common shares—basic and diluted	1,711,921	1,660,709
Net loss per share attributable to common stockholders—basic and diluted	$ (27.34)	$ (6.91)

SCYNEXIS, INC.

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Diluted net loss per share is the same as basic net loss per share for all periods presented because the effects of potentially dilutive items were anti-dilutive given the Company's net loss. The following securities, presented on a common stock equivalent basis, have been excluded from the calculation of weighted average common shares outstanding because the effect is anti-dilutive:

	Year Ended December 31,	
	2013	**2012**
Convertible preferred stock:		
Series A Preferred	31,407	31,407
Series B Preferred	665,708	477,199
Series C Preferred	3,957,708	2,826,324
Series C-2 Preferred	871,934	611,789
Series D-1 Preferred	1,513,560	—
Series D-2 Preferred	1,435,670	—
Warrants to purchase Series C-1 Preferred	70,786	50,221
Warrants to purchase common stock	1,312,037	135,756
Stock options	702,276	787,312
Convertible notes	—	708,391

Pro Forma Net Loss Per Share (unaudited)

Under the two-class method, for periods with net income, basic net income per common share is computed by dividing the net income attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period. Net income attributable to common stockholders is computed by subtracting from net income the portion of current year earnings that the participating securities would have been entitled to receive pursuant to their dividend rights had all of the year's earnings been distributed. No such adjustment to earnings is made during periods with a net loss, as the holders of the participating securities have no obligation to fund losses. Diluted net loss per common share is computed under the two-class method by using the weighted average number of shares of common stock outstanding, plus, for periods with net income attributable to common stockholders, the potential dilutive effects of stock options and warrants. In addition, the Company analyzes the potential dilutive effect of the outstanding participating securities under the "if-converted" method when calculating diluted earnings per share, in which it is assumed that the outstanding participating securities convert into common stock at the beginning of the period. The Company reports the more dilutive of the approaches (two-class or "if-converted") as its diluted net income per share during the period. Due to the existence of net losses for the years ended December 31, 2013 and 2012, basic and diluted loss per share were the same, as the effect of potentially dilutive securities would have been anti-dilutive.

SCYNEXIS, INC.

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The numerator and denominator used in computing pro forma net loss per share for the year ended December 31, 2013 have been adjusted to assume the conversion of all outstanding shares of convertible preferred stock into common stock and the exercise of common stock warrants issued with the convertible notes and convertible preferred stock as of the beginning of the year or at the time of issuance, if later. The calculation of pro forma net loss per share is as follows:

	Year Ended December 31, 2013
Numerator:	
Historical net loss available to common stockholders	$ (46,809)*(a)*
Plus: add back other expense related to fair value adjustment of common stock warrants	8,007*(b)*
Plus: add back deemed dividend for beneficial conversion feature on Series D-2 Preferred	4,232*(c)*
Plus: add back deemed dividend for antidilution adjustments to convertible preferred stock	6,402*(d)*
Plus: add back accretion of convertible preferred stock	5,714*(e)*
Pro forma numerator for basic and diluted net loss per share	$ (22,454)
Denominator:	
Historical denominator for basic and diluted net loss per share — weighted-average shares	1,711,921*(f)*
Plus: conversion of convertible preferred stock to common stock	5,688,364*(g)*
Plus: exercise of common stock warrants issued with the convertible notes and Series D Preferred	664,435*(h)*
Pro forma denominator for basic and diluted net loss per share	8,064,720
Pro forma basic and diluted net loss per share	$ (2.78)

(a) *Represents actual net loss attributable to common stockholders as reported in the accompanying statements of operations for the period presented.*

(b) *Represents adjustment to remove other expense related to the fair value adjustment of the long-term derivative liability for common stock warrants that are assumed to be exercised as of January 1, 2013 or the date the warrants were committed to be issued, if later.*

(c) *Represents adjustment to remove the deemed dividend related to the issuance of Series D-2 Preferred that are assumed to convert into common stock at the time of issuance.*

(d) *Represents adjustment to remove deemed dividend related to the beneficial conversion feature on the Series B, Series C, and Series C-2 Preferred.*

(e) *Represents adjustment to remove accretion to liquidation value of convertible preferred stock assumed to convert into common stock at the time of issuance.*

(f) *Represents actual weighted average common shares outstanding — basic, as reported in the accompanying statements of operations for the period presented.*

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(g) Assumes the number of common shares that would have been outstanding had all outstanding shares of the Company's convertible preferred stock converted into shares of common stock as of the later of the issuance dates of the convertible preferred stock or the beginning of the period presented, computed on a weighted average basis.

(h) Assumes the number of common shares that would have been outstanding had the outstanding common stock warrants issued with the Company's convertible notes and Series D-2 Preferred been exercised as of the later of the issuance date or the beginning of the period presented.

14. Related-Party Transactions

The Company had transactions with related parties for the years ended December 31, 2013 and 2012, as follows:

	Year Ended December 31,	
	2013	2012
Revenue	$ 7,288	$ 7,424
Travel expense	31	77

Sanofi owns 100% of a subsidiary that is a customer of SCYNEXIS. Both Sanofi and the subsidiary have an investment in the Company. The Company's related-party revenue with the subsidiary comprised 43% and 44% of total revenue as of December 31, 2013 and 2012, respectively.

15. Employee Benefit Plan

The Company has a 401(k) retirement plan, which covers all U.S. employees scheduled for and working more than 20 hours per week. The Company may provide a discretionary match with a maximum amount of 50% of the first 6% of eligible participant's compensation, which vests ratably over four years. Contributions under the plan during 2013 and 2012 were approximately $239 and $250, respectively.

16. Gain on Sale of Asset

On May 17, 2012, the Company sold the rights to its HEOS software to a third party for consideration of $4,500. The Company received $3,500 on May 17, 2012 and recorded a gain on sale of asset of $3,412 within total operating expenses, net of transaction expenses. The remaining balance of $1,000 was held in escrow by the buyer until certain conditions were met.

On May 17, 2013, the Company met all the contractual conditions and collected the $1,000 held in escrow. The Company recognized $988, which is net of transaction expenses, as a gain on sale of asset within total operating expenses.

17. Fair Value Measurements

The carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivable, unbilled services, prepaid expenses and other current assets, accounts payable, and accrued expenses approximate their respective fair values due to the short-term nature of such instruments.

As of December 31, 2013, the Company estimated that the fair value of its obligation under the 2013 Credit Agreement was $13,023. As of December 31, 2012, the Company estimated that the fair value of its

SCYNEXIS, INC.

NOTES TO THE FINANCIAL STATEMENTS — (Continued)
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obligation under the 2010 Credit Agreement was $14,485. As of December 31, 2012, the carrying value of the Company's obligations under the December 2011 Note and Warrant Purchase Agreement approximated fair value because the 2011-2012 Notes were callable on that date. The fair value of debt falls within Level 3 of the fair value hierarchy as it is significantly driven by the creditworthiness of the Company, which is an unobservable input.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The Company evaluates its financial assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level in which to classify them for each reporting period. This determination requires significant judgments to be made. The following table summarizes the conclusions reached as of December 31, 2013 and 2012:

	Balance as of December 31, 2013	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative liability — Series C-1 warrants	$ 37	$ —	$ —	$ 37
Derivative liability — common stock warrants	$ 12,200			$ 12,200
Total derivative liability	$ 12,237	$ —	$ —	$ 12,237

	Balance as of December 31, 2012	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative liability — Series C-1 warrants	$ 158	$ —	$ —	$ 158
Derivative liability — common stock warrants	525			$ 525
Total derivative liability	$ 683	$ —	$ —	$ 683

The Company's derivative liabilities are the only balance sheet amounts that are measured at fair value on a recurring basis. The fair value of these warrant derivatives is based on a valuation of the Company's common stock. In order to determine the fair value of the Company's common stock, the Company used a probability-weighted expected return method, or PWERM. Significant inputs for the PWERM included an estimate of the Company's equity value, a weighted average cost of capital and an estimated probability and timing for each valuation scenario.

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NOTES TO THE FINANCIAL STATEMENTS — (Continued)
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A reconciliation of the beginning and ending balances for liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) is as follows:

	Year Ended December 31,	
	2013	2012
Beginning balance	$ 683	$ 540
Issuance of warrants	5,382	328
Excess of fair value of warrants over proceeds	(1,714)	—
Adjustment to fair value	7,886	(185)
Ending balance	$ 12,237	$ 683

18. Subsequent Events

The Company evaluated subsequent events through February 27, 2014, the date on which the December 31, 2013 financial statements were originally issued. There are no significant events that require disclosure in these financial statements, except as follows:

Stock Option Grants

On January 16, 2014, the Company granted options to purchase 237,848 shares of common stock, with an exercise price per share of $10.80.

Sale of Stock

On January 31, 2014, the Company sold 388,641 shares of Series D-2 Preferred under the Series D-2 Purchase Agreement at $1.40 per share for an aggregate price of $544 to related parties. The sale also included warrants to purchase 97,158 shares of the Company's common stock at $0.04 per share.

The Company updated its evaluation of subsequent events through March 18, 2014, the date on which the December 31, 2013 financial statements were reissued. There are no additional significant events that require disclosure in these financial statements, except as follows:

Automatic Conversion of Preferred Stock

On March 13, 2014, the Company amended its amended and restated certificate of incorporation, which will effect the automatic conversion of the convertible preferred stock into common stock upon the completion of a public offering of common stock with gross proceeds of at least $20,000.

Addendum to Guarantee Agreement

On March 17, 2014, the Company entered into an addendum to the guarantee agreement with the related party guaranteeing its 2013 Credit Facility. Under this addendum, the Company agreed (1) to use $7,500 of the proceeds from the Company's planned IPO to repay a portion of the outstanding amounts under the 2013 Credit Facility by June 30, 2014; (2) to amend the 2013 Credit Facility by June 30, 2014 to

SCYNEXIS, INC.

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reduce the aggregate amount the Company may borrow to $7,500; and (3) to repay all amounts owed under the 2013 Credit Facility by December 31, 2014 in order to release the related party from its obligations under the guarantee.

Reverse Stock Split

On March 17, 2014, the Company amended its amended and restated certificate of incorporation effecting a 1-for-4 reverse stock split of its common stock. The reverse stock split did not cause an adjustment to the par value or the authorized shares of the common stock. As a result of the reverse stock split, the Company also adjusted the share amounts under its employee incentive plan and common stock warrant agreements with third parties. All disclosure of common shares and per common share data in the accompanying financial statements and related notes have been adjusted to reflect the reverse stock split for all periods presented.

4,230,800 Shares

SCYNEXIS, Inc.

Common Stock

PROSPECTUS

RBC CAPITAL MARKETS **CANACCORD GENUITY**

JMP SECURITIES

, 2014

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other expenses of issuance and distribution

The following table sets forth the costs and expenses, other than underwriting discounts and commissions, payable by us in connection with the sale and distribution of our common stock being registered. All amounts are estimates except for the SEC registration fee, the FINRA filing fee, and the listing fee of the NASDAQ Global Market.

SEC registration fee	$ 8,774
FINRA filing fee	10,718
NASDAQ Global Market listing fee	125,000
Legal fees and expenses	1,100,000
Accounting fees and expenses	2,100,000
Printing and engraving expenses	150,000
Transfer agent and registrar fees and expenses	15,000
Blue sky fees and expenses	25,000
Miscellaneous fees and expenses	65,508
Total	$3,600,000

Item 14. Indemnification of directors and officers

Section 145 of the Delaware General Corporation Law authorizes a court to award, or a corporation's board of directors to grant, indemnity to directors and officers in terms sufficiently broad to permit such indemnification under certain circumstances for liabilities, including reimbursement for expenses incurred, arising under the Securities Act of 1933, as amended, or the Securities Act.

Our amended and restated certificate of incorporation that will be in effect upon the closing of this offering provides for indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law, and our amended and restated bylaws that will be in effect upon the closing of this offering provide for indemnification of our directors, officers, employees and other agents to the maximum extent permitted by the Delaware General Corporation Law.

We have entered and expect to continue to enter into agreements to indemnify our directors and executive officers. With certain exceptions, these agreements provide for indemnification for related expenses including, among other things, attorneys' fees, judgments, fines and settlement amounts incurred by any of these individuals in any action or proceeding.

We maintain insurance policies that indemnify our directors and officers against various liabilities arising under the Securities Act and the Exchange Act of 1934, as amended, that might be incurred by any director or officer in his capacity as such.

In an underwriting agreement we enter into in connection with the sale of our common stock being registered hereby, or the Underwriting Agreement, the underwriters will agree to indemnify, under certain circumstances, us, our officers, our directors, and our controlling persons within the meaning of the Securities Act, against certain liabilities.

Item 15. Recent sales of unregistered securities

The following sets forth information regarding all unregistered securities sold during the last three years:

Preferred Stock Issuances

- On December 11, 2013, we sold 1,785,712 shares of our Series D-2 Preferred Stock and warrants exercisable for 1,785,712 shares of our common stock to five investors for aggregate proceeds of $2.5 million, which we refer to as our 2013 financing. In addition, we issued 6,054,255 shares of Series D-1 Preferred Stock and 3,956,985 shares of Series D-2 Preferred Stock in connection with the conversion of all outstanding principal and interest on the convertible promissory notes previously issued in our 2011 bridge financing and 2013 bridge financing, described below. In January 2014, pursuant to the terms of our 2013 financing, we sold 388,641 shares of our Series D-2 Preferred Stock and warrants exercisable for 388,641 shares of our common stock to five investors for aggregate proceeds of $544,100.

Convertible Note and Warrant Issuances

- On December 7, 2011, January 27, 2012 and May 15, 2012, we collectively issued and sold (i) an aggregate principal amount of $11.4 million of convertible promissory notes and (ii) warrants to purchase an aggregate of 530,719 shares of our common stock with an exercise price of $0.01 per share, to eleven investors, which we refer to as our 2011 bridge financing. In connection with our 2013 financing, these warrants were adjusted to be exercisable for 1,634,792 shares of our common stock with no additional proceeds to us.
- On June 28, 2013, we issued and sold an aggregate principal amount of $899,053 convertible promissory notes to six investors, which we refer to as our 2013 bridge financing.
- On December 11, 2013, pursuant to the terms of our 2013 bridge financing, we issued warrants exercisable for 1,815,385 shares our common stock with an exercise price of $0.01 per share to six investors with no additional proceeds to us.

Option and Common Stock Issuances

- From January 1, 2011 to date, we issued pursuant to our 2009 Stock Option Plan options exercisable for an aggregate of 2,065,249 of our common stock, of which no options to purchase shares of our common stock have been exercised, options to purchase 127,050 shares had been forfeited and options to purchase 1,938,199 shares remained outstanding, at a weighted average exercise price of $2.17 per share to certain of our officers, employees, directors and consultants.
- From January 1, 2011 to date, we issued an aggregate of 101,085 shares of our common stock to certain of our officers, employees, directors and consultants for an aggregate purchase price of $36,516 pursuant to the exercise of options issued under our 1999 Stock Option Plan.
- On January 27, 2012, we issued an aggregate of 2,777,117 shares of our common stock to three holders of our preferred stock upon the conversion of such preferred stock into shares or our common stock with no additional proceeds to us.

The sales of the preferred stock, warrant and convertible notes described above were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(2) of the Securities Act (or Regulation D promulgated thereunder). The sales of the options and common stock above were deemed to be exempt from registration under the Securities Act in reliance upon Rule 701 promulgated under Section 3(b) of the Securities Act as transactions by an issuer not involving any public offering or pursuant to benefit plans and contracts relating to compensation as provided under Rule 701. The issuance of shares

of preferred stock upon conversion of outstanding convertible promissory notes were deemed to be exempt from registration in reliance on Section 3(a)(9) of the Securities Act. We did not pay or give, directly or indirectly, any commission or other remuneration, including underwriting discounts or commissions, in connection with any of the issuances of securities listed above. The recipients of the preferred stock, warrants and convertible notes in each of these transactions represented their intentions to acquire the securities for investment only and not with a view to or for sale in connection with any distribution thereof, and appropriate legends were placed upon the stock certificates issued in these transactions. All recipients had adequate access, through their employment or other relationship with us or through other access to information provided us, to information about us. The sales of these securities were made without any general solicitation or advertising.

Item 16. Exhibits and financial statement schedules

(a) Exhibits

Exhibit No.	Description
1.1**	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation, as amended and as currently in effect.
3.2**	Form of Amended and Restated Certificate of Incorporation to become effective upon closing of this offering.
3.3**	Bylaws, as amended and as currently in effect.
3.4**	Form of Amended and Restated Bylaws to become effective upon closing of this offering.
5.1	Opinion of Cooley LLP.
10.1	Form of Indemnity Agreement between the Registrant and its directors and officers.
10.2**#	SCYNEXIS, Inc. 1999 Stock Option Plan, as amended, and Forms of Stock Option Grant Notice, Stock Option Agreement and Notice of Stock Option Exercise.
10.3#	SCYNEXIS, Inc. 2009 Stock Option Plan, as amended, and Forms of Stock Option Grant Notice, Stock Option Agreement and Notice of Stock Option Exercise.
10.4#	SCYNEXIS, Inc. 2014 Equity Incentive Plan and Form of Stock Option Agreement and Form of Stock Option Grant Notice thereunder.
10.5#	SCYNEXIS, Inc. 2014 Employee Stock Purchase Plan.
10.6#	Non-Employee Director Compensation Policy.
10.7**#	Amended and Restated Employment Agreement, dated December 7, 2012, between SCYNEXIS, Inc. and Charles F. Osborne, Jr.
10.8**#	Employment Agreement, dated August 20, 2012, between SCYNEXIS, Inc. and Eileen C. Pruette.
10.9**#	Amended and Restated Employment Agreement, dated December 7, 2012, between SCYNEXIS, Inc. and Yves J. Ribeill.
10.10†	Development, License and Supply Agreement, dated August 1, 2013, between SCYNEXIS, Inc. and R-Pharm, CJSC.
10.11†	License Agreement, dated August 7, 2012, as amended, between SCYNEXIS, Inc. and Dechra Ltd.

Exhibit No.	Description
10.12†	Termination and License Agreement, dated May 24, 2013, between SCYNEXIS. Inc. and Merck Sharp & Dohme Corp.
10.13†	Agreement for the Assignment of Patents and Know How concerning Cyclosporin Derivatives, dated June 10, 2005, between SCYNEXIS, Inc. and C-CHEM AG.
10.14†	Research Services Agreement, dated December 19, 2011 between SCYNEXIS, Inc. and Merial Limited.
10.15†	Exclusive Worldwide License Agreement, dated May 10, 2005, between SCYNEXIS, Inc. and Aventis Pharma S.A.
10.16**	Amendment No. 1 to Exclusive Worldwide License Agreement, dated October 26, 2006, between SCYNEXIS, Inc. and Aventis Pharma S.A.
10.17**	Letter Agreement, dated April 9, 2010, as amended, between SCYNEXIS, Inc. and HSBC Bank USA, National Association.
10.18**	Stand Alone First Demand Guarantee, dated April 9, 2010, as amended, by the Guarantee Extension Agreement, dated March 5, 2013, by and between Sanofi-Aventis S.A. and HSBC Bank USA, National Association.
10.19**	Reimbursement & General Security Agreement, dated April 9, 2010, as amended, by the Guarantee Extension Agreement, dated March 5, 2013, between SCYNEXIS, Inc. and Sanofi-Aventis S.A.
10.20	Guarantee Extension Agreement, dated March 5, 2013, between SCYNEXIS, Inc. and Sanofi-Aventis S.A.
10.21**	Fifth Amended and Restated Investor Rights Agreement, dated December 11, 2013.
10.22**	Industrial Building Lease, dated as of July 1, 2007, as amended, between SCYNEXIS, Inc. and Durham Research Tri-Center, LLC.
10.23†	Amended and Restated License, Development and Commercialization Agreement, dated December 23, 2013, between SCYNEXIS, Inc. and Elanco Animal Health.
10.24**#	Employment Agreement, dated January 2014, between SCYNEXIS, Inc. and Carole A. Sable.
10.25**#	Offer Letter, dated September 29, 2013, from SCYNEXIS, Inc. to Vivian W. Doelling.
10.26**	Board Observation Rights Agreement, dated March 5, 2013, between SCYNEXIS, Inc. and Sanofi-Aventis S.A.
10.27**	Form of Lock-up Agreement between the Registrant and its directors and officers.
10.28**	Patent Assignment, dated January 28, 2014, between SCYNEXIS, Inc. and Merck Sharpe & Dohme Corp.
10.29**#	Amended and Restated Employment Agreement, dated December 7, 2012, between SCYNEXIS and Michael C. Garrett.
10.30	Series C-2 Preferred Stock Purchase Agreement, dated March 11, 2008 by and among SCYNEXIS, Inc., Merial Limited and S.R. One Limited.

Exhibit No.	Description
10.31	Addendum to Reimbursement Agreement, dated April 9, 2010, as amended, between SCYNEXIS, Inc. and Sanofi.
23.1	Consent of Independent Registered Public Accounting Firm.
23.2	Consent of Cooley LLP. Reference is made to Exhibit 5.1.
24.1**	Power of Attorney.

** Previously filed.

† Confidential Treatment Requested.

# Indicates management contract or compensatory plan.

(b) Financial Statement Schedules

Item 17. Undertakings

The undersigned registrant hereby undertakes to provide to the underwriters at the closing specified in the Underwriting Agreement, certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

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

The undersigned registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the city of Durham, State of North Carolina, on March 18, 2014.

SCYNEXIS, INC.

By: /s/ Yves J. Ribeill
Yves J. Ribeill, Ph.D.
President and Chief Executive Officer

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

Signature	Title	Date
/s/ Yves J. Ribeill Yves J. Ribeill, Ph.D.	President, Chief Executive Officer and Director (Principal Executive Officer)	March 18, 2014
/s/ Charles F. Osborne, Jr. Charles F. Osborne, Jr.	Chief Financial Officer (Principal Financial and Accounting Officer)	March 18, 2014
* Pamela J. Kirby, Ph.D.	Chairman of the Board of Directors	March 18, 2014
* Laurent Arthaud	Director	March 18, 2014
* Mounia Chaoui, Ph.D.	Director	March 18, 2014
* Ann F. Hanham, Ph.D.	Director	March 18, 2014
* Patrick J. Langlois, Ph.D.	Director	March 18, 2014
* Jean-Yves Nothias, Ph.D.	Director	March 18, 2014
* Edward E. Penhoet, Ph.D.	Director	March 18, 2014

*By: /s/ Charles F. Osborne, Jr.
Charles F. Osborne, Jr.
Attorney-in-Fact

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Index to Financial Statements

EXHIBIT INDEX

Exhibit No.	Description
1.1**	Form of Underwriting Agreement.
3.1	Amended and Restated Certificate of Incorporation, as amended and as currently in effect.
3.2**	Form of Amended and Restated Certificate of Incorporation to become effective upon closing of this offering.
3.3**	Bylaws, as amended and as currently in effect.
3.4**	Form of Amended and Restated Bylaws to become effective upon closing of this offering.
5.1	Opinion of Cooley LLP.
10.1	Form of Indemnity Agreement between the Registrant and its directors and officers.
10.2**#	SCYNEXIS, Inc. 1999 Stock Option Plan, as amended, and Forms of Stock Option Grant Notice, Stock Option Agreement and Notice of Stock Option Exercise.
10.3#	SCYNEXIS, Inc. 2009 Stock Option Plan, as amended, and Forms of Stock Option Grant Notice, Stock Option Agreement and Notice of Stock Option Exercise.
10.4#	SCYNEXIS, Inc. 2014 Equity Incentive Plan and Form of Stock Option Agreement and Form of Stock Option Grant Notice thereunder.
10.5#	SCYNEXIS, Inc. 2014 Employee Stock Purchase Plan.
10.6#	Non-Employee Director Compensation Policy.
10.7**#	Amended and Restated Employment Agreement, dated December 7, 2012, between SCYNEXIS, Inc. and Charles F. Osborne, Jr.
10.8**#	Employment Agreement, dated August 20, 2012, between SCYNEXIS, Inc. and Eileen C. Pruette.
10.9**#	Amended and Restated Employment Agreement, dated December 7, 2012, between SCYNEXIS, Inc. and Yves J. Ribeill.
10.10†	Development, License and Supply Agreement, dated August 1, 2013, between SCYNEXIS, Inc. and R-Pharm, CJSC.
10.11†	License Agreement, dated August 7, 2012, as amended, between SCYNEXIS, Inc. and Dechra Ltd.
10.12†	Termination and License Agreement, dated May 24, 2013, between SCYNEXIS. Inc. and Merck Sharp & Dohme Corp.
10.13†	Agreement for the Assignment of Patents and Know How concerning Cyclosporin Derivatives, dated June 10, 2005, between SCYNEXIS, Inc. and C-CHEM AG.
10.14†	Research Services Agreement, dated December 19, 2011 between SCYNEXIS, Inc. and Merial Limited.
10.15†	Exclusive Worldwide License Agreement, dated May 10, 2005, between SCYNEXIS, Inc. and Aventis Pharma S.A.

Exhibit No.	Description
10.16**	Amendment No. 1 to Exclusive Worldwide License Agreement, dated October 26, 2006, between SCYNEXIS, Inc. and Aventis Pharma S.A.
10.17**	Letter Agreement, dated April 9, 2010, as amended, between SCYNEXIS, Inc. and HSBC Bank USA, National Association.
10.18**	Stand Alone First Demand Guarantee, dated April 9, 2010, as amended, by the Guarantee Extension Agreement, dated March 5, 2013, by and between Sanofi-Aventis S.A. and HSBC Bank USA, National Association.
10.19**	Reimbursement & General Security Agreement, dated April 9, 2010, as amended, by the Guarantee Extension Agreement, dated March 5, 2013, between SCYNEXIS, Inc. and Sanofi-Aventis S.A.
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23.1	Consent of Independent Registered Public Accounting Firm.
23.2	Consent of Cooley LLP. Reference is made to Exhibit 5.1.
24.1**	Power of Attorney.

** Previously filed.

† Confidential Treatment Requested.

# Indicates management contract or compensatory plan.

Exhibit 3.1

SEVENTH AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
SCYNEXIS, INC.

Yves J. Ribeill hereby certifies that:

ONE: The original name of this company is Scyrex, Inc., that the date of filing the original Certificate of Incorporation of this company with the Secretary of State of the State of Delaware was November 4, 1999, and that the name of the company was changed to Scynexis Chemistry & Automation, Inc., by the filing of a Certificate of Amendment to the Certificate of Incorporation of this company with the Secretary of State of the State of Delaware on April 14, 2000, and that the name of the Company was changed to Scynexis, Inc. by the filing of a Certificate of Amendment to the Certificate of Incorporation of this company with the Secretary of State of the State of Delaware on June 5, 2002.

TWO: He is the duly elected and acting President of Scynexis, Inc., a Delaware corporation.

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

I.

The name of this company is SCYNEXIS, Inc. (the "Company" or the "Corporation").

II.

The address of the registered office of this Company in the State of Delaware is 2711 Centreville Road, Suite 400, City of Wilmington, County of New Castle, Zip Code 19808, and the name of the registered agent of this Corporation in the State of Delaware at such address is Corporation Service Company.

III.

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

IV.

A. The Company is authorized to issue two classes of stock to be designated, respectively, "Common Stock" and "Preferred Stock." The total number of shares that the Company is authorized to issue is 100,000,000 shares, 70,000,000 shares of which shall be Common Stock (the "Common Stock") and 30,000,000 shares of which shall be Preferred Stock (the "Preferred Stock"). The Preferred Stock shall have a par value of ($0.001) per share and the Common Stock shall have a par value of ($0.001) per share.

B. Effective upon the filing of this Seventh Amended and Restated Certificate of Incorporation, each one (1) share of Common Stock issued and outstanding shall, automatically and without any action on the part of the respective holders thereof, be combined and converted into one quarter (0.25) of a share of Common Stock of the Company (the "Reverse Split"). All shares of Common Stock held by a holder thereof shall be aggregated into the maximum number of resulting whole shares of Common Stock. For any remaining fraction of a share, the Company shall, in lieu of issuing a fractional share, pay cash to such holder equal to the product of such fraction multiplied by the fair market value of one (1) share of Common Stock (after giving effect to the foregoing Reverse Split) as determined by the Board of Directors of the Company (the "Board"). Other than as set forth in Article IV, Section A, all share and per share amounts set forth in this Seventh Amended and Restated Certificate of Incorporation are presented on a pre-Reverse Split basis.

C. Subject to the provisions of Section D.2(c)(iii) of this Article IV, 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 Company (voting together on an as-if-converted basis).

D. Thirty-One Thousand, Four Hundred Ten (31,410) of the authorized shares of Preferred Stock are hereby designated "Series A Preferred Stock," Seven Hundred Eleven Thousand, Nine Hundred Eighty-Seven (711,987) of the authorized shares of Preferred Stock are hereby designated "Series B Preferred Stock," Two Million Nine Hundred Sixty-Seven Thousand Six Hundred Seventy-Eight (2,967,678) of the authorized shares of Preferred Stock are hereby designated as "Series C Preferred Stock," Three Million Seventy-Six Thousand Nine Hundred Twenty-Three (3,076,923) shares of the authorized shares of Preferred Stock are hereby designated as "Series C-1 Preferred Stock", Two Million Three Hundred Forty-Seven Thousand Eight Hundred Twenty-Six (2,347,826) shares of the authorized shares of Preferred Stock are hereby designated as "Series C-2 Preferred Stock", Ten Million (10,000,000) shares of the authorized shares of Preferred Stock are hereby designated as "Series D-1 Preferred Stock", and Ten Million (10,000,000) shares of the authorized shares of Preferred Stock are hereby designated as "Series D-2 Preferred Stock" (collectively, the "Series Preferred"). Subject to the provisions of Section D.2 of this Article IV, the number of authorized shares of any class or series of Preferred Stock may be increased or decreased (but not below the number of shares of such class or series then outstanding) by the affirmative vote of the holders of a majority of the stock of the Company (voting together on an as-if-converted basis).

E. The rights, preferences, privileges, restrictions and other matters relating to the Series Preferred are as follows:

1. DIVIDEND RIGHTS.

(a) Holders of Series D-1 Preferred Stock and Series D-2 Preferred Stock, (together, the "Series D Preferred Stock") in preference to the holders of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock and Series C-2 Preferred Stock (together, the "Junior Preferred Stock") and to the holders of Common Stock, shall be entitled to receive, on a *pari passu* basis, when and as declared by the

Board of Directors (the "Board"), but only out of funds that are legally available therefor, cash dividends at the rate of eight percent (8%) of the Original Issue Price of the Series D Preferred Stock (as defined below), as applicable, per annum on each outstanding share of Series D Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof). Such dividends shall be payable only when, as and if declared by the Board and shall be non-cumulative.

(b) The Original Issue Price of the Series A Preferred Stock shall be seven dollars and ninety-six cents ($7.96). The Original Issue Original Issue Price of the Series B Preferred Stock shall be nine dollars and one cent ($9.01). The Original Issue Price of the Series C Preferred Stock shall be ten dollars and fifteen cents ($10.15). The Original Issue Price of the Series C-1 Preferred Stock shall be three dollars and twenty-five cents ($3.25). The Original Issue Price of the Series C-2 Preferred Stock shall be five dollars and seventy-five cents ($5.75). The Original Issue Price of the Series D-1 Preferred Stock shall be one dollar and forty cents ($1.40). The Original Issue Price of the Series D-2 Preferred Stock shall be one dollar and forty cents ($1.40).

(c) So long as any shares of Series D Preferred Stock are outstanding, the Company shall not pay or declare any dividend, whether in cash or property, or make any other distribution on the Junior Preferred Stock or the Common Stock, or purchase, redeem or otherwise acquire for value any shares of Junior Preferred Stock or Common Stock until all dividends as set forth in Section 1(a) above on the Series D Preferred Stock shall have been paid or declared and set apart, except for:

(i) acquisitions of Common Stock by the Company pursuant to agreements which permit the Company to repurchase such shares at cost (or the lesser of cost or fair market value) upon termination of services or employment with the Company; or

(ii) acquisitions of Common Stock in exercise of the Company's right of first refusal to repurchase such shares.

(d) No dividend shall be paid on any share of Common Stock in any year unless the Company has paid: (i) an additional dividend on all outstanding shares of Series D Preferred Stock, and (ii) a dividend on all outstanding shares of Junior Preferred Stock, each 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. Such dividends shall be payable only when, as and if declared by the Board and shall be non-cumulative.

(e) The provisions of Sections 1(c) and 1(d) shall not apply to (i) a dividend payable in Common Stock, (ii) any repurchase of any outstanding securities of the Company that is unanimously approved by the Board, and (iii) any acquisition of shares of Junior Preferred Stock or Common Stock in exchange for other shares of Junior Preferred Stock or Common Stock.

2. VOTING RIGHTS.

(a) General Rights. Each holder of shares of the Series Preferred shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Series 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 Company. Except as otherwise provided herein or as required by law, the Series Preferred shall vote together with the Common Stock at any annual or special meeting of the stockholders and not as a separate class, and may act by written consent in the same manner as the Common Stock.

(b) Separate Vote of Series B Preferred Stock. For so long as any shares of Series B Preferred Stock remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of at least sixty-five percent (65%) of the outstanding Series B Preferred Stock shall be necessary for effecting or validating the following actions:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation or the Bylaws of the Company (including any filing of a Certificate of Designation), that alters or changes the voting or other powers, preferences, or other special rights or privileges, or restrictions of the Series B Preferred Stock so as to have a material adverse effect on such powers, preferences, special rights, privileges or restrictions;

(ii) Any action that creates a new class or series of shares having (A) a preference or priority as to dividends or liquidation which is on parity with the preference or priority of the Series B Preferred Stock unless such issuance shall result in an adjustment to the Series B Preferred Conversion Price pursuant to Section 5 of this Article IV; or (B) a preference or priority as to dividends or liquidation which is superior to the preference or priority of the Series B Preferred Stock;

(iii) Any authorization or any designation, whether by reclassification or otherwise, of any new class or series of stock or any other securities convertible into equity securities of the Company ranking senior to the Series B Preferred Stock in right of liquidation preference or dividends or any increase in the authorized or designated number of any such new class or series;

(iv) Any increase to more than nine (9) members or decrease in the authorized number of members of the Company's Board; or

(v) Any authorization to issue or sell additional shares of Series B Preferred Stock.

(c) Separate Vote of Series C Preferred Stock. For so long as any shares of Series C Preferred Stock remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of at least sixty-five percent (65%) of the outstanding Series C Preferred Stock shall be necessary for effecting or validating the following actions:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation or the Bylaws of the Company (including any filing of a Certificate of Designation), that alters or changes the voting or other powers, preferences, or other special rights or privileges, or restrictions of the Series C Preferred Stock;

(ii) Any action that amends or waives any provision of the Company's Certificate of Incorporation or Bylaws relative to the Series C Preferred Stock;

(iii) Any increase or decrease in the authorized number of shares of Common Stock or Preferred Stock;

(iv) Any authorization or any designation, whether by reclassification or otherwise, of any new class or series of stock or any other securities convertible into equity securities of the Company ranking senior to the Series C Preferred Stock in right of liquidation preference, or dividends or any increase in the authorized or designated number of any such new class or series;

(v) Any authorization to issue or sell additional shares of Series C Preferred Stock;

(vi) Any redemption, repurchase, payment of dividends or other distributions with respect to Common Stock (except for acquisitions of Common Stock by the Company permitted by Section 1 of this Article IV);

(vii) Any agreement by the Company or its stockholders regarding an Asset Transfer or Acquisition (each as defined in Section 4 of this Article IV);

(viii) Any action that results in the payment or declaration of a dividend on any shares of Common Stock or Preferred Stock;

(ix) Any voluntary dissolution or liquidation of the Company; or

(x) Any increase or decrease in the authorized number of members of the Company's Board.

(d) Separate Vote of Series C-2 Preferred Stock. For so long as any shares of Series C-2 Preferred Stock remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of at least sixty-five percent (65%) of the outstanding Series C-2 Preferred Stock shall be necessary for effecting or validating the following actions:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation or the Bylaws of the Company (including any filing of a Certificate of Designation), that alters or changes the voting or other powers, preferences, or other special rights or privileges, or restrictions of the Series C-2 Preferred Stock;

(ii) Any action that amends or waives any provision of the Company's Certificate of Incorporation or Bylaws relative to the Series C-2 Preferred Stock;

(iii) Except for a financing transaction that is approved by either (A) a majority of the Board which majority includes the approval of all Board members elected by the holders of the Series C Preferred Stock or (B) seventy-five percent (75%) of the members comprising the Board, any authorization or any designation, whether by reclassification or otherwise, of any new class or series of stock or any other securities convertible into equity securities of the Company ranking senior to the Series C-2 Preferred Stock in right of liquidation preference, or dividends or any increase in the authorized or designated number of any such new class or series; or

(iv) Any authorization to issue or sell additional shares of Series C-2 Preferred Stock.

(e) Separate Vote of Series D Preferred Stock.

For so long as any shares of Series D Preferred Stock remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holders of at least seventy percent (70%) of the outstanding shares of Series D Preferred Stock shall be necessary for effecting or validating the following actions:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation or the Bylaws of the Company (including any filing of a Certificate of Designation), that alters or changes the voting or other powers, preferences, or other special rights or privileges, or restrictions of the Series D Preferred Stock;

(ii) Any action that amends or waives any provision of the Company's Certificate of Incorporation or Bylaws relative to the Series D Preferred Stock;

(iii) Any authorization or any designation, whether by reclassification or otherwise, of any new class or series of stock or any other securities convertible into equity securities of the Company ranking senior to the Series D Preferred Stock in right of liquidation preference, or dividends or any increase in the authorized or designated number of any such new class or series;

(iv) Any consolidation or merger of the Company with or into any other corporation or other entity or person, if the shares of capital stock of the Company immediately prior to such consolidation or merger (including shares of capital stock issued or issuable pursuant to the exercise or conversion of any outstanding options, warrants or convertible securities) continue to represent a majority of the voting power of the surviving entity (or, if the surviving entity is a wholly owned subsidiary, its parent); and

(v) Any authorization to issue or sell additional shares of Series D Preferred Stock.

(f) Separate Vote of Series Preferred. Notwithstanding anything to the contrary herein, for so long as any shares of Series Preferred remain outstanding, in addition to any other vote or consent required herein or by law, the vote or written consent of the holder of at least (i) forty percent (40%) of the outstanding Series Preferred and (ii) sixty percent (60%) of the outstanding Series D Preferred Stock shall be necessary for effecting or validating the following actions:

(i) Any amendment, alteration, or repeal of any provision of the Certificate of Incorporation or the Bylaws of the Company (including any filing of a Certificate of Designation);

(ii) Any agreement by the Company or its stockholders regarding an Asset Transfer or Acquisition (each as defined in Section 4 of this Article IV);

(iii) Any redemption or repurchase with respect to Common Stock (except for acquisitions of Common Stock by the Company permitted by Section D1(c) of this Article IV);

(iv) Any increase or decrease in the authorized number of members of the Company's Board;

(v) Any amendment to any employee benefit plan in existence prior to or after the filing of the Company's Fifth Amended and Restated Certificate of Incorporation or the establishment of any new employee benefit plan after the date of the filing of the Company's Fifth Amended and Restated Certificate of Incorporation;

(vi) Enter into or authorize any agreement by the Company regarding the grant of any exclusive license of all or substantially all of the Company's material intellectual property;

(vii) Create, or authorize the creation of, or issue, or authorize the issuance of any debt security, or permit any subsidiary to take any such action with respect to any debt security, if the aggregate indebtedness of the Company and its subsidiaries for borrowed money following such action would exceed $100,000;

(viii) Enter into any new line of business that requires a material change or revision to the Company's business strategy and is not related to the business of the Company as of the date of the filing of the Company's Fifth Amended and Restated Certificate of Incorporation;

(ix) Enter into any agreement with an officer, director, employee or holder of greater than ten percent (10%) of the Company's fully diluted outstanding capital stock (including all shares issuable under any and all convertible securities, including, without limitation, warrants and convertible promissory notes, and all shares reserved under any stock option plan for options not yet granted and for options outstanding but unexercised), other than any agreement (a) for payment of salary, or annual or special bonuses for services rendered, (b) for reimbursement of reasonable expenses incurred on behalf of the Company, (c) for other

standard employee benefits made generally available to employees (including stock option agreements outstanding under any stock option plan approved by the Board) or (d) entered into pursuant to, or in connection with the closing of the transactions contemplated under that certain Series D-2 Preferred Stock Purchase Agreement (the "Purchase Agreement"), dated on or around the effective time of the filing of the Company's Fifth Amended and Restated Certificate of Incorporation with the office of the Secretary of State of the State of Delaware;

(x) Acquire, or hold capital stock in, any business entity other than any wholly owned subsidiary of the Company, or acquire or sell, lease, license, dispose, mortgage or encumber any material property or assets (tangible or intangible) of the Company or any subsidiary, except in the ordinary course of business; and

(xi) Taking any action or failing to take any action in order to cause or permit any subsidiary of the Company to take any of the actions contemplated in the foregoing clauses (i)-(x) of this Section 2(f) (except that any reference to the Company in any of such clauses shall be deemed to be a reference to such subsidiary for purposes of implementing the provisions of this clause (xi)).

(g) Election of Board of Directors. Subject to clauses b(iv), c(x) and f(iv) of this Article IV(D)(2), the Board of Directors shall consist of such number of directors as may be determined from time to time in accordance with the Bylaws.

(i) For so long as any shares of Series D Preferred Stock remain outstanding, the holders of Series D Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors;

(ii) For so long as Merial Limited (and/or any affiliate thereof) holds twenty-five percent (25%) or more of the outstanding shares of Series C-2 Preferred Stock, the holders of Series C-2 Preferred Stock, voting as a separate class, shall be entitled to elect one (1) member of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such director and to fill any vacancy caused by the resignation, death or removal of such director;

(iii) For so long as any shares of Series C Preferred Stock remain outstanding the holders of Series C Preferred Stock, voting as a separate class, shall be entitled to elect two (2) members of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors;

(iv) For so long as any shares of Series B Preferred Stock remain outstanding the holders of Series B Preferred Stock, voting as a separate class, shall be entitled to elect two (2) members of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors;

(v) The holders of Common Stock, voting as a separate class, shall be entitled to elect one (1) member of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors; and

(vi) The holders of Common Stock and Series Preferred, voting together as a single class on an as-if-converted to Common Stock basis, shall be entitled to elect all remaining members of the Board at each meeting or pursuant to each consent of the Company's stockholders for the election of directors, and to remove from office such directors and to fill any vacancy caused by the resignation, death or removal of such directors.

3. LIQUIDATION RIGHTS.

(a) Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary (a "Liquidation Event"), before any distribution or payment shall be made to the holders of any Junior Preferred Stock or Common Stock, the holders of Series D Preferred Stock shall be entitled to be paid, on a *pari passu* basis, out of the assets of the Company legally available for distribution, or the consideration received in such transaction, an amount per share of (i) Series D-1 Preferred Stock equal to two times (2x) the Original Issue Price of the Series D-1 Preferred Stock plus all declared and unpaid dividends on a share of Series D-1 Preferred Stock, and (ii) Series D-2 Preferred Stock equal to three times (3x) the Original Issue Price of the Series D-2 Preferred Stock plus all declared and unpaid dividends on a share of Series D-2 Preferred Stock, as applicable (in either case, as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof) for each share of Series D Preferred Stock held by them. If, upon any such liquidation, dissolution, or winding up, the assets of the Company (or the consideration received in such transaction) shall be insufficient to make payment in full to all holders of Series D Preferred Stock of the liquidation preference set forth in this Section 3(a), then such assets (or consideration) shall be distributed among the holders of Series D Preferred Stock at the time outstanding, *pari passu* and ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(b) Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any Series B Preferred Stock, Series A Preferred Stock or Common Stock, but after payment of the liquidation preference set forth in Section 3(a), the holders of Series C Preferred Stock, Series C-1 Preferred Stock and Series C-2 Preferred Stock shall be entitled to be paid, on a *pari passu* basis, out of the assets of the Company legally available for distribution, or the consideration received in such transaction, an amount per share of Series C Preferred Stock, Series C-1 Preferred Stock or Series C-2 Preferred Stock, as the case may be, equal to the applicable Original Issue Price plus all declared and unpaid dividends on a share of Series C Preferred Stock, Series C-1 Preferred Stock or Series C-2 Preferred Stock, as applicable (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof) for each share of Series C Preferred Stock, Series C-1 Preferred Stock and/or Series C-2 Preferred Stock held by them. If, upon any such liquidation,

dissolution, or winding up, the assets of the Company (or the consideration received in such transaction) shall be insufficient to make payment in full to all holders of Series C Preferred Stock, Series C-1 Preferred Stock and/or Series C-2 Preferred Stock of the liquidation preference set forth in this Section 3(b), then such assets (or consideration) shall be distributed among the holders of Series C Preferred Stock, Series C-1 Preferred Stock and/or Series C-2 Preferred Stock at the time outstanding, *pari passu* and ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(c) Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any Series A Preferred Stock or Common Stock, but after payment of the liquidation preferences set forth in Sections 3(a) and 3(b), the holders of Series B Preferred Stock shall be entitled to be paid out of the assets of the Company legally available for distribution, or the consideration received in such transaction, an amount per share of Series B Preferred Stock equal to the Original Issue Price plus all declared and unpaid dividends on the Series B Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof) for each share of Series B Preferred Stock held by them. If, upon any such liquidation, dissolution, or winding up, the assets of the Company (or the consideration received in such transaction) shall be insufficient to make payment in full to all holders of Series B Preferred Stock of the liquidation preference set forth in this Section 3(c), then such assets (or consideration) shall be distributed among the holders of Series B Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(d) Upon any liquidation, dissolution, or winding up of the Company, whether voluntary or involuntary, before any distribution or payment shall be made to the holders of any Common Stock, but after payment of the liquidation preferences set forth in Sections 3(a), 3(b) and 3(c), the holders of Series A Preferred Stock shall be entitled to be paid out of the assets of the Company legally available for distribution, or the consideration received in such transaction, an amount per share of Series A Preferred Stock equal to the Original Issue Price plus all declared and unpaid dividends on the Series A Preferred Stock (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares after the filing date hereof) for each share of Series A Preferred Stock held by them. If, upon any such liquidation, dissolution, or winding up, the assets of the Company (or the consideration received in such transaction) shall be insufficient to make payment in full to all holders of Series A Preferred Stock of the liquidation preference set forth in this Section 3(d), then such assets (or consideration) shall be distributed among the holders of Series A Preferred Stock at the time outstanding, ratably in proportion to the full amounts to which they would otherwise be respectively entitled.

(e) After the payment of the full liquidation preference of the Series Preferred as set forth in Sections 3(a), 3(b), 3(c) and 3(d) above, the assets of the Company legally available for distribution (or the consideration received in such transaction), if any, shall be distributed ratably to the holders of the Common Stock and Series Preferred on an as-if-converted to Common Stock basis.

(f) Notwithstanding any of the foregoing, in the event the Company consummates any Liquidation Event (or deemed liquidation as set forth in Section 4 herein) in a transaction or a series of transactions, prior to any distribution or payment made to the holders of Series D Preferred Stock, Junior Preferred Stock or Commons Stock as set forth in Sections 3(a)–(e) herein, the Company shall pay in full, out of any proceeds received in each such Liquidation Event (or deemed liquidation as set forth in Section 4 herein), any and all outstanding indebtedness. Furthermore, in the event the Company consummates more than a single Liquidation Event (or deemed liquidation as set forth in Section 4 herein) resulting in payments made out of the proceeds of such Liquidation Events (or deemed liquidations as set forth in Section 4 herein) to holders of Series D Preferred Stock or Junior Preferred Stock pursuant to Sections 3(a)-(e) above, then, notwithstanding anything to the contrary herein, no holder of Series D Preferred Stock or Junior Preferred Stock is entitled to receive aggregate payments in an amount per share in excess of the preferences as set forth in Sections 3(a)-(e) above. Any amounts actually paid to any holder of Series D Preferred Stock or Junior Preferred Stock pursuant to Sections 3(a)-(d) above, as applicable, in connection with any Liquidation Event (or deemed liquidation as set forth in Section 4 herein) shall decrease in corresponding fashion the amounts payable to such holder pursuant to Sections 3(a)-3(d) above, as applicable, in connection with the next Liquidation Event (or deemed liquidation as set forth in Section 4 herein).

4. ASSET TRANSFER OR ACQUISITION RIGHTS.

(a) For purposes of Section 3 above, an Acquisition or Asset Transfer (as hereinafter defined) shall be considered a liquidation of the Company.

(b) For the purposes of this Seventh Amended and Restated Certificate of Incorporation: (i) "Acquisition" shall mean any consolidation or merger of the Company with or into any other corporation or other entity or person, or any other corporate reorganization, in which the stockholders of the Company immediately prior to such consolidation, merger or reorganization, own less than 50% of the voting power of the surviving entity immediately after such consolidation, merger or reorganization; or (B) any transaction or series of related transactions to which the Company is a party in which in excess of fifty percent (50%) of the Company's voting power is transferred; provided that an Acquisition shall not include (x) any consolidation or merger effected exclusively to change the domicile of the Company, or (y) any transaction or series of transactions principally for bona fide equity financing purposes in which cash is received by the Company or indebtedness of the Company is cancelled or converted or a combination thereof; and (ii) "Asset Transfer" shall mean any of the following: (1) a sale, lease, grant of exclusive license or other disposition of all or substantially all of the assets of the Company; (2) a sale, lease, grant of exclusive license or other disposition of SCY-635; (3) a sale, lease, grant of exclusive license or other disposition of all or substantially all of the Company's services business; and (4) a sale, lease, grant of license, sublicense, or assignment of any payments (including, without limitation, milestone payments or royalty proceeds) received or receivable by the Company or any of its stockholders from (a) Merial Limited pursuant to the Collaboration Agreement dated as of June 30, 2004 or (b) from Merck & Co., Inc. pursuant to the Research Collaboration and License Agreement dated as of June 1, 2002, *provided*, *however,* that no such sale, lease, grant of license, sublicense, or assignment shall be deemed an Asset

Transfer pursuant to this Section 4(b)(ii)(4) without the vote or written consent of at least sixty five percent (65%) of the outstanding shares of Preferred Stock.

(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.

5. CONVERSION RIGHTS.

The holders of the Series Preferred shall have the following rights with respect to the conversion of the Series 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 Preferred may, at the option of the holder, be converted at any time into fully-paid and nonassessable shares of Common Stock.

(i) The number of shares of Common Stock to which a holder of Series A Preferred Stock 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 Stock being converted.

(ii) The number of shares of Common Stock to which a holder of Series B Preferred Stock 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 Stock being converted.

(iii) The number of shares of Common Stock to which a holder of Series C Preferred Stock 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 Stock being converted.

(iv) The number of shares of Common Stock to which a holder of Series C-1 Preferred Stock shall be entitled upon conversion shall be the product obtained by multiplying the "Series C-1 Preferred Conversion Rate" then in effect (determined as provided in Section 5(b)) by the number of shares of Series C-1 Preferred Stock being converted.

(v) The number of shares of Common Stock to which a holder of Series C-2 Preferred Stock shall be entitled upon conversion shall be the product obtained by multiplying the "Series C-2 Preferred Conversion Rate" then in effect (determined as provided in Section 5(b)) by the number of shares of Series C-2 Preferred Stock being converted.

(vi) The number of shares of Common Stock to which a holder of Series D-1 Preferred Stock shall be entitled upon conversion shall be the product obtained by multiplying the "Series D-1 Preferred Conversion Rate" then in effect (determined as provided in Section 5(b)) by the number of shares of Series D-1 Preferred Stock being converted.

(vii) The number of shares of Common Stock to which a holder of Series D-2 Preferred Stock shall be entitled upon conversion shall be the product obtained by multiplying the "Series D-2 Preferred Conversion Rate" then in effect (determined as provided in Section 5(b)) by the number of shares of Series D-2 Preferred Stock being converted.

(b) Series Preferred Conversion Rate.

(i) The conversion rate in effect at any time for conversion of the Series A Preferred Stock (the "Series A Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series A Preferred Stock by the "Series A Preferred Conversion Price", calculated as provided in Section 5(c).

(ii) The conversion rate in effect at any time for conversion of the Series B Preferred Stock (the "Series B Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series B Preferred Stock by the "Series B Preferred Conversion Price", calculated as provided in Section 5(c).

(iii) The conversion rate in effect at any time for conversion of the Series C Preferred Stock (the "Series C Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series C Preferred Stock by the "Series C Preferred Conversion Price", calculated as provided in Section 5(c).

(iv) The conversion rate in effect at any time for conversion of the Series C-1 Preferred Stock (the "Series C-1 Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series C-1 Preferred Stock by the "Series C-1 Preferred Conversion Price", calculated as provided in Section 5(c).

(v) The conversion rate in effect at any time for conversion of the Series C-2 Preferred Stock (the "Series C-2 Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series C-2 Preferred Stock by the "Series C-2 Preferred Conversion Price", calculated as provided in Section 5(c).

(vi) The conversion rate in effect at any time for conversion of the Series D-1 Preferred Stock (the "Series D-1 Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series D-1 Preferred Stock by the "Series D-1 Preferred Conversion Price", calculated as provided in Section 5(c).

(vii) The conversion rate in effect at any time for conversion of the Series D-2 Preferred Stock (the "Series D-2 Preferred Conversion Rate") shall be the quotient obtained by dividing the Original Issue Price of the Series D-2 Preferred Stock by the "Series D-2 Preferred Conversion Price", calculated as provided in Section 5(c).

(c) Series Preferred Conversion Price.

(i) The conversion price for the Series A Preferred Stock shall initially be $1.99 (the "Series A Preferred Conversion Price"). Such initial conversion price shall be adjusted from time to time in accordance with this Section 5.

(ii) The conversion price for the Series B Preferred Stock shall initially be the $1.569 (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.

(iii) The conversion price for the Series C Preferred Stock shall initially be $1.7594 (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.

(iv) The conversion price for the Series C-1 Preferred Stock shall initially be $ 2.2356 (the "Series C-1 Preferred Conversion Price"). Such initial Series C-1 Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5.

(v) The conversion price for the Series C-2 Preferred Stock shall initially be $3.8205 (the "Series C-2 Preferred Conversion Price"). Such initial Series C-2 Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5.

(vi) The conversion price for the Series D-1 Preferred Stock shall initially be $1.40 (the "Series D-1 Preferred Conversion Price"). Such initial Series D-1 Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5. All references to the Series D-1 Preferred Conversion Price herein shall mean the Series D-1 Preferred Conversion Price as so adjusted at any time and from time to time after the Charter Effective Time (as defined below).

(vii) The conversion price for the Series D-2 Preferred Stock shall initially be $1.40 (the "Series D-2 Preferred Conversion Price"). Such initial Series D-2 Preferred Conversion Price shall be adjusted from time to time in accordance with this Section 5. All references to the Series D-2 Preferred Conversion Price herein shall mean the Series D-2 Preferred Conversion Price as so adjusted at any time and from time to time after the Charter Effective Time. The term "Series Preferred Conversion Price" shall mean, as the context requires, the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively.

(d) Mechanics of Conversion. Each holder of Series 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 Company or any transfer agent for the Series Preferred, and shall give written notice to the Company at such office that such holder elects to convert the same. Such notice shall state the number of shares of Series Preferred being converted. Thereupon, the Company 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 (i) in cash or, to the extent sufficient funds are not then legally available therefor, in Common Stock (at the Common Stock's fair market value determined by the Board as of the date of such conversion), any declared and unpaid dividends on the shares of Series Preferred being converted and (ii) 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

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 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 after the filing of the Company's Sixth Amended and Restated Certificate of Incorporation (the "Charter Effective Time"), the Company effects a subdivision of the outstanding Common Stock without a corresponding subdivision of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, the Series C-2 Preferred Stock, the Series D-1 Preferred Stock and/or the Series D-2 Preferred Stock, the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, in effect immediately before that subdivision shall be proportionately decreased. Conversely, if at any time or from time to time after the Charter Effective Time the Company combines the outstanding shares of Common Stock into a smaller number of shares without a corresponding combination of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Stock and/or Series D-2 Preferred Stock, the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, 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 after the Charter Effective Time the Company pays a dividend or other distribution in additional shares of Common Stock, the Series A Preferred Conversion Price, the Series B Preferred Conversion Price, the Series C Preferred Conversion Price, the Series C-1 Preferred Conversion Price, the Series C-2 Preferred Conversion Price, the Series D-1 Preferred Conversion Price and the Series D-2 Preferred Conversion Price that is then in effect shall be decreased as of the time of such issuance, as provided below:

(i) The respective Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and Series D-2 Preferred Conversion Price shall be adjusted by multiplying the respective Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Conversion Price and Series D-2 Preferred Stock 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 Company 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, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and Series D-2 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, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and Series D-2 Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the respective Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and Series D-2 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 and Substitution. If at any time or from time to time after the Charter Effective Time the Common Stock issuable upon the conversion of the Series Preferred is changed into the same or a different number of shares of any class or classes of stock, whether by recapitalization, reclassification or otherwise (other than an Acquisition or Asset Transfer as defined in Section 4 or a subdivision or combination of shares or stock dividend or a reorganization, merger, consolidation or sale of assets provided for elsewhere in this Section 5), in any such event each holder of Series Preferred shall then have the right to convert such stock into the kind and amount of stock and other securities and property receivable upon such recapitalization, reclassification or other change by holders of the maximum number of shares of Common Stock into which such shares of Series Preferred could have been converted immediately prior to such recapitalization, reclassification or change, all subject to further adjustment as provided herein or with respect to such other securities or property by the terms thereof.

(h) Reorganizations, Mergers or Consolidations. If at any time or from time to time after the Charter Effective Time there is a capital reorganization of the Common Stock or the merger or consolidation of the Company with or into another corporation or another entity or person (other than an Acquisition or Asset Transfer as defined in Section 4 or a recapitalization, subdivision, combination, reclassification, exchange or substitution of shares provided for elsewhere in this Section 5), as a part of such capital reorganization, provision shall be made so that the holders of the Series Preferred shall thereafter be entitled to receive upon conversion of the Series Preferred the number of shares of stock or other securities

or property of the Company to which a holder of the number of shares of Common Stock deliverable upon conversion would have been entitled on such capital reorganization, subject to adjustment in respect of such stock or securities 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 Preferred after the capital reorganization to the end that the provisions of this Section 5 (including adjustment of the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and Series D-2 Preferred Conversion Price then in effect and the number of shares issuable upon conversion of the Series Preferred) shall be applicable after that event and be as nearly equivalent as practicable.

(i) Sale of Shares Below Series Preferred Conversion Price.

(i) If at any time or from time to time after the Charter Effective Time, the Company issues or sells, or is deemed by the express provisions of this Section 5(i) to have issued or sold, Additional Shares of Common Stock, other than as provided in Section 5(f), 5(g) or 5(h) above, for an Effective Price (as defined below) less than the then effective Series D-1 Preferred Conversion Price or Series D-2 Preferred Conversion Price, then and in each such case, each of the then existing Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price so affected, respectively, shall be reduced, as of the opening of business on the date of such issue or sale or deemed issue or sale, to a price equal to such Effective Price.

(ii) If at any time or from time to time after the Charter Effective Time, the Company issues or sells, or is deemed by the express provisions of this Section 5(i) to have issued or sold, Additional Shares of Common Stock, other than as provided in Section 5(f), 5(g) or 5(h) above, for an Effective Price (as defined below) less than the then effective Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price or Series C-2 Preferred Conversion Price (and together with any issuance or sale of Additional Shares of Common Stock that triggers an adjustment pursuant to Section 5(i)(i), a "Qualifying Dilutive Issuance"), then and in each such case, each of the then existing Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price and/or Series C-2 Preferred Conversion Price so affected, respectively, shall be reduced, as of the opening of business on the date of such issue or sale or deemed issue or sale, to a price determined by multiplying the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price and/or Series C-2 Preferred Conversion Price, respectively, in effect immediately prior to such issuance or sale or deemed issue or sale by a fraction equal to:

(A) the numerator of which shall be (A) the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale, plus (B) the number of shares of Common Stock which the Aggregate Consideration (as defined below) received by the Company for the total number of Additional Shares of Common Stock so issued would purchase at such then-existing Series B Preferred

Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price and/or Series C-2 Preferred Conversion Price, respectively, and

(B) the denominator of which shall be the number of shares of Common Stock deemed outstanding (as determined below) immediately prior to such issue or sale plus the total number of Additional Shares of Common Stock so issued.

For the purposes of the preceding sentence, the number of shares of Common Stock deemed to be outstanding as of a given date shall be the sum of (A) the number of shares of Common Stock outstanding, (B) the number of shares of Common Stock into which the then outstanding shares of Series Preferred could be converted if fully converted on the day immediately preceding the given date, and (C) the number of shares of Common Stock which could be obtained through the exercise or conversion of all other rights, options and convertible securities outstanding on the day immediately preceding the given date.

(iii) No adjustment shall be made to the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price or Series D-2 Preferred Conversion Price in an amount less than one cent per share. Any adjustment otherwise required by this Section 5(i) that is not required to be made due to the preceding sentence shall be included in any subsequent adjustment to the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, as applicable.

For the purpose of making any adjustment required under this Section 5(i), the aggregate consideration received by the Company for any issue or sale of securities (the "Aggregate Consideration") shall be defined as: (A) to the extent it consists of cash, be computed at the net amount of cash received by the Company after deduction of any underwriting or similar commissions, compensation or concessions paid or allowed by the Company in connection with such issue or sale but without deduction of any expenses payable by the Company, (B) to the extent it consists of property other than cash, be computed at the fair value of that property as determined in good faith by the Board, and (C) if Additional Shares of Common Stock, Convertible Securities (as defined below) or rights or options to purchase either Additional Shares of Common Stock or Convertible Securities are issued or sold together with other stock or securities or other assets of the Company for a consideration which covers both, be computed as the portion of the consideration so received that may be reasonably determined in good faith by the Board to be allocable to such Additional Shares of Common Stock, Convertible Securities or rights or options.

For the purpose of the adjustment required under this Section 5(i), if the Company issues or sells (x) Preferred Stock or other stock, options, warrants, purchase rights or other securities convertible into, Additional Shares of Common Stock (such convertible stock or securities being herein referred to as "Convertible Securities") or (y) rights or options for the purchase of Additional Shares of Common Stock or Convertible Securities and if the Effective Price of such Additional Shares of Common Stock is less than the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price,

Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or the Series D-2 Preferred Conversion Price, in each case the Company shall be deemed to have issued at the time of the issuance of such rights or options or Convertible Securities the maximum number of Additional Shares of Common Stock issuable upon exercise or conversion thereof and to have received as consideration for the issuance of such shares an amount equal to the total amount of the consideration, if any, received by the Company for the issuance of such rights or options or Convertible Securities plus:

(A) in the case of such rights or options, the minimum amounts of consideration, if any, payable to the Company upon the exercise of such rights or options; and

(B) in the case of Convertible Securities, the minimum amounts of consideration, if any, payable to the Company upon the conversion thereof (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities); *provided* that if the minimum amounts of such consideration cannot be ascertained, but are a function of antidilution or similar protective clauses, the Company shall be deemed to have received the minimum amounts of consideration without reference to such clauses.

(C) if the minimum amount of consideration payable to the Company upon the exercise or conversion of rights, options or Convertible Securities is reduced over time or on the occurrence or non-occurrence of specified events other than by reason of antidilution adjustments, the Effective Price shall be recalculated using the figure to which such minimum amount of consideration is reduced; *provided further*, that if the minimum amount of consideration payable to the Company upon the exercise or conversion of such rights, options or Convertible Securities is subsequently increased, the Effective Price shall be again recalculated using the increased minimum amount of consideration payable to the Company upon the exercise or conversion of such rights, options or Convertible Securities.

(D) no further adjustment of the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, as adjusted upon the issuance of such rights, options or Convertible Securities, shall be made as a result of the actual issuance of Additional Shares of Common Stock or the exercise of any such rights or options or the conversion of any such Convertible Securities. If any such rights or options or the conversion privilege represented by any such Convertible Securities shall expire without having been exercised, the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, as adjusted upon the issuance of such rights, options or Convertible Securities shall be readjusted to the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, which would have been in effect had an adjustment been made on the basis that the only Additional Shares of Common Stock so issued were the Additional Shares of Common Stock, if any, actually issued or sold on the exercise of such rights

or options or rights of conversion of such Convertible Securities, and such Additional Shares of Common Stock, if any, were issued or sold for the consideration actually received by the Company upon such exercise, plus the consideration, if any, actually received by the Company for the granting of all such rights or options, whether or not exercised, plus the consideration actually received for issuing or selling the Convertible Securities actually converted, plus the consideration, if any, actually received by the Company (other than by cancellation of liabilities or obligations evidenced by such Convertible Securities) on the conversion of such Convertible Securities, *provided* that such readjustment shall not apply to prior conversions of Series Preferred.

For the purpose of making any adjustment to the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, required under this Section 5(i), "Additional Shares of Common Stock" shall mean all shares of Common Stock issued by the Company or deemed to be issued pursuant to this Section 5(i) (including shares of Common Stock subsequently reacquired or retired by the Company), other than:

(a) shares of Common Stock issued upon conversion of the Series Preferred;

(b) shares of Common Stock issued to employees or directors of, or consultants to, the Company pursuant to a stock grant, stock option plan or stock purchase plan or other stock agreement or arrangement approved by the Board in an aggregate amount of not more than 5,218,536 shares or such higher number of shares as may be approved by the Board, appropriately adjusted for any stock split, stock dividend or other recapitalization effected after the filing date hereof; provided that any shares repurchased by the Company from employees, directors and consultants pursuant to the terms of stock repurchase agreements approved by the Board shall not, unless reissued, be counted as issued for purposes of this calculation;

(c) shares of Common Stock issued pursuant to the exercise of Convertible Securities outstanding as of the Charter Effective Time; and

(d) solely with respect to the shares of Series D Preferred Stock, shares of Common Stock issued or issuable pursuant to the exercise or conversion of Convertible Securities issued pursuant to the Purchase Agreement.

References to Common Stock in the preceding clauses (a), (b), (c) and (d) shall mean all shares of Common Stock issued by the Company or deemed to be issued pursuant to this Section 5(i). The "Effective Price" of Additional Shares of Common Stock shall mean the quotient determined by dividing the total number of Additional Shares of Common Stock issued or sold, or deemed to have been issued or sold by the Company under this Section 5(i), into the Aggregate Consideration received, or deemed to have been received by the Company for such issue under this Section 5(i), for such Additional Shares of Common Stock.

In the event that the Company issues or sells, or is deemed to have issued or sold, Additional Shares of Common Stock in a Qualifying Dilutive Issuance (the "First Dilutive Issuance"), then in the event that the Company issues or sells, or is deemed to have issued or sold, Additional Shares of Common stock in a Qualifying Dilutive Issuance other than the First Dilutive Issuance (a "Subsequent Dilutive Issuance") pursuant to the same instruments as the First Dilutive Issuance, then and in each such case upon a Subsequent Dilutive Issuance the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, shall be reduced to the Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, that would have been in effect had the First Dilutive Issuance and each Subsequent Dilutive Issuance all occurred on the closing date of the First Dilutive Issuance.

(j) Certificate of Adjustment. In each case of an adjustment or readjustment of the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, for the number of shares of Common Stock or other securities issuable upon conversion of the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Stock or Series D-2 Preferred Stock, if the Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Stock or Series D-2 Preferred Stock, respectively, is then convertible pursuant to this Section 5, the Company, at its expense, shall compute such adjustment or readjustment in accordance with the provisions hereof and 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 Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Stock or Series D-2 Preferred Stock at the holder's address as shown in the Company's books. The certificate shall set forth such adjustment or readjustment, showing in detail the facts upon which such adjustment or readjustment is based, including a statement of (i) the consideration received or deemed to be received by the Company for any Additional Shares of Common Stock issued or sold or deemed to have been issued or sold, (ii) the Series A Preferred Conversion Price, Series B Preferred Conversion Price, Series C Preferred Conversion Price, Series C-1 Preferred Conversion Price, Series C-2 Preferred Conversion Price, Series D-1 Preferred Conversion Price and/or Series D-2 Preferred Conversion Price, respectively, at the time in effect, (iii) the number of Additional Shares of Common Stock and (iv) the type and amount, if any, of other property which at the time would be received upon conversion of the Series Preferred.

(k) Notices of Record Date. Upon (i) any taking by the Company 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 or other distribution, or (ii) any Acquisition (as defined in Section 4) or other capital reorganization of the Company, any reclassification or recapitalization of the capital stock of the Company, any merger or consolidation of the

Company 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 Company, the Company shall mail to each holder of Series Preferred at least twenty (20) days prior to the record date specified therein (or such shorter period approved by the holders of sixty-five percent (65%) of the outstanding Series 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.

(l) Automatic Conversion.

(i) Each share of Series Preferred shall automatically be converted into shares of Common Stock, based on the then-effective Series Preferred Conversion Price, immediately upon the closing of a firmly underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, covering the offer and sale of Common Stock for the account of the Company in which the gross cash proceeds to the Company (before underwriting discounts, commissions and fees) are at least $20,000,000. Upon such automatic conversion, any declared and unpaid dividends shall be paid in accordance with the provisions of Section 5(d).

(ii) Upon the occurrence of the applicable events specified in Section 5(l)(i) above, the outstanding shares of Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock, Series C-1 Preferred Stock, Series C-2 Preferred Stock, Series D-1 Preferred Stock and/or Series D-2 Preferred Stock 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 Company or its transfer agent; *provided*, *however*, that the Company 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 Preferred are either delivered to the Company or its transfer agent as provided below, or the holder notifies the Company or its transfer agent that such certificates have 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 certificates. Upon the occurrence of such automatic conversion of the Series Preferred, the holders of such converted Series Preferred shall surrender the certificates representing such shares at the office of the Company or any transfer agent for the Series 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 Preferred surrendered were convertible on the date on which such automatic conversion occurred, and any declared and unpaid dividends shall be paid in accordance with the provisions of Section 5(d).

(m) Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of Series Preferred. All shares of Common Stock (including fractions thereof) issuable upon conversion of more than one share of Series 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 Company shall, in lieu of issuing any fractional share, pay cash equal to the product of such fraction multiplied by the Common Stock's fair market value (as determined by the Board) on the date of conversion.

(n) Reservation of Stock Issuable Upon Conversion. The Company 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 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 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 Preferred, 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 Common Stock to such number of shares as shall be sufficient for such purpose.

(o) 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 (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (iv) one (1) 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 Company.

(p) Payment of Taxes. The Company 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 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 Preferred so converted were registered.

6. NO REISSUANCE OF SERIES PREFERRED.

No shares or shares of Series Preferred acquired by the Company by reason of redemption, purchase, conversion or otherwise shall be reissued.

V.

A. No director of the Corporation shall have personal liability arising out of an action whether by or in the right of the Corporation or otherwise for monetary damages for breach of fiduciary duty as a director; *provided*, *however*, that the foregoing shall not limit or eliminate the liability of a director (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve

intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or any successor provision, (iv) for any transaction from which such director derived an improper personal benefit, or (v) acts or omissions occurring prior to the date of the effectiveness of this provision.

B. Furthermore, notwithstanding the foregoing provision, in the event that the DGCL is amended or enacted to permit further limitation or elimination of the personal liability of the director, the personal liability of the Corporation's directors shall be limited or eliminated to the fullest extent permitted by the applicable law. The liability of the directors of the Company for monetary damages shall be eliminated to the fullest extent under applicable law.

C. Any repeal or modification of this Article V shall only be prospective and shall not affect the rights under this Article V in effect at the time of the alleged occurrence of any action or omission to act giving rise to liability.

VI.

For the management of the business and for the conduct of the affairs of the Company, and in further definition, limitation and regulation of the powers of the Company, of its directors and of its stockholders or any class thereof, as the case may be, it is further *provided* that:

A. The management of the business and the conduct of the affairs of the Company shall be vested in its Board. The number of directors which shall constitute the whole Board shall be fixed by the Board in the manner provided in the Bylaws, subject to any restrictions which may be set forth in this Seventh Amended and Restated Certificate of Incorporation. Notwithstanding the foregoing or anything in the Bylaws to the contrary, the number of directors which shall constitute the whole Board shall in no event be less than the maximum number of directors required in order for all nominees designated or that can be designated under the Voting Agreement (as defined below) for election to the Board to be elected or able to be elected to the Board. The term "Voting Agreement" shall mean that certain Third Amended and Restated Voting Agreement, dated on or about the date of the filing of the Company's Fifth Amended and Restated Certificate of Incorporation, by and among the Company and certain stockholders of the Company that are parties thereto, as amended and in effect from time to time.

B. The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws of the Company. The stockholders shall also have the power to adopt, amend or repeal the Bylaws of the Company; *provided*, *however*, that, in addition to any vote of the holders of any class or series of stock of the Company required by law or by this Seventh Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the voting power of all of the then-outstanding shares of the capital stock of the Company entitled to vote generally in the election of directors, voting together as a single class, shall be required to adopt, amend or repeal any provision of the Bylaws of the Company.

C. The directors of the Company need not be elected by written ballot unless the Bylaws so provide.

* * * *

FOUR: This Seventh Amended and Restated Certificate of Incorporation has been duly approved by the Board of the Company.

FIVE: This Seventh Amended and Restated Certificate of Incorporation was approved by the holders of the requisite number of shares of the Company in accordance with Section 228 of the General Corporation Law. This Seventh 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 Company.

IN WITNESS WHEREOF, Scynexis, Inc. has caused this Seventh Amended and Restated Certificate of Incorporation to be signed by its President this 17th day of March, 2014.

SCYNEXIS, INC.

Signature: /s/ Yves J. Ribeill

Yves J. Ribeill, President

Exhibit 5.1

Matthew B. Hemington
T: +1 650 843 5062
hemingtonmb@cooley.com

March 18, 2014

SCYNEXIS, Inc.
3501 C Tricenter Boulevard
Durham, NC 27713

Ladies and Gentlemen:

We have acted as counsel to SCYNEXIS, Inc., a Delaware corporation (the "***Company***"), and you have requested our opinion in connection with the filing of a registration statement of a Registration Statement (No. 333-194192) on Form S-1, as amended from time to time (the "***Registration Statement***") with the Securities and Exchange Commission, including a related prospectus filed with the Registration Statement (the "***Prospectus***"), covering an underwritten public offering of up to 4,865,420 shares (the "***Shares***") of the Company's common stock, par value $0.001, which includes up to 4,230,800 Shares to be sold by the Company (the "***Company Shares***") and up to 634,620 Shares of common stock of the Company that may be sold by the Company pursuant to the exercise of an option to purchase additional shares granted to the underwriters (the "***Optional Shares***").

In connection with this opinion, we have examined and relied upon (a) the Registration Statement and related Prospectus, (b) the Company's Amended and Restated Certificate of Incorporation and Bylaws, as amended, as currently in effect, (c) the Company's Amended and Restated Certificate of Incorporation, filed as Exhibit 3.2 to the Registration Statement and the Company's Amended and Restated Bylaws, filed as Exhibit 3.4 to the Registration Statement, each of which will be in effect upon the closing of the offering contemplated by the Registration Statement, and (d) the originals or copies certified to our satisfaction of such other records, documents, certificates, memoranda and other instruments as we deem necessary or appropriate to enable us to render the opinion expressed below. We have assumed the genuineness and authenticity of all documents submitted to us as originals, and the conformity to originals of all documents. As to certain factual matters, we have relied upon a certificate of officers of the Company and have not sought to independently verify such matters. Our opinion is expressed only with respect to the General Corporation Law of the State of Delaware.

On the basis of the foregoing, and in reliance thereon, we are of the opinion that the Company Shares and the Optional Shares, when sold and issued as described in the Registration Statement and the related Prospectus, will be validly issued, fully paid and non-assessable.

We consent to the reference to our firm under the caption “Legal Matters” in the Prospectus included in the Registration Statement and to the filing of this opinion as an exhibit to the Registration Statement.

Sincerely,

/s/ Matthew B. Hemington

Matthew B. Hemington

Exhibit 10.1

FORM OF
INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT, dated as of [ ], 2014 (this "***Agreement***"), is entered into by and between **SCYNEXIS, INC.**, a Delaware corporation (the "***Company***"), and **[NAME OF DIRECTOR/EXECUTIVE OFFICER]** (the "***Indemnitee***").

WHEREAS, it is essential to the Company to retain and attract as directors and officers the most capable persons available;

WHEREAS, the Indemnitee is a director and/or officer of the Company;

WHEREAS, the Company and the Indemnitee recognize the increased risk of litigation and other claims being asserted against directors and officers of public companies;

WHEREAS, the Amended and Restated Certificate of Incorporation of the Company (the "***Certificate of Incorporation***") requires the Company to indemnify and advance expenses to its directors and officers to the fullest extent permitted by law, and the Indemnitee has been serving and continues to serve as a director or officer of the Company in part in reliance on such provisions in the Certificate of Incorporation;

WHEREAS, the board of directors of the Company ("***Board of Directors***") has determined that enhancing the ability of the Company to retain and attract as directors and officers the most capable persons is in the best interests of the Company and that the Company therefore should seek to assure such persons that indemnification and insurance coverage will be available in the future; and

WHEREAS, in recognition of the Indemnitee's need for substantial protection against personal liability in order to enhance the Indemnitee's continued service to the Company in an effective manner and the Indemnitee's reliance on the Certificate of Incorporation, and in part to provide Indemnitee with specific contractual assurance that the protection promised by the Certificate of Incorporation will be available to the Indemnitee (regardless of, among other things, any amendment to or revocation of such Certificate of Incorporation or any change in the composition of the Board of Directors or acquisition transaction relating to the Company), the Company wishes to provide in this Agreement for the indemnification of and the advancing of expenses to the Indemnitee to the fullest extent (whether partial or complete) permitted by law and as set forth in this Agreement, and, to the extent insurance is maintained, for the continued coverage of the Indemnitee under the Company's directors' and officers' liability insurance policies.

NOW, THEREFORE, in consideration of the premises and of the Indemnitee continuing to serve the Company directly or, at its request, as an officer, director, manager, member, partner, tax matters partner, fiduciary or trustee of, or in any other capacity with, another Person (as defined below) or any employee benefit plan, and intending to be legally bound hereby, the parties hereto agree as follows:

1. Certain Definitions: In addition to terms defined elsewhere herein, the following terms have the following meanings when used in this Agreement:

"***Change in Control***" shall be deemed to have occurred if (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended), other than a trustee or other fiduciary holding securities under an employee benefit plan of the Company or a corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their

ownership of stock of the Company, is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 25% or more of the total voting power represented by the Company's then outstanding Voting Securities, or (ii) during any period of two consecutive years, individuals who at the beginning of such period constitute the Board of Directors and any new director whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds (2/3) of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute a majority thereof, or (iii) the stockholders of the Company approve a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the Voting Securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into Voting Securities of the surviving entity) at least 80% of the total voting power represented by the Voting Securities of the Company or such surviving entity outstanding immediately after such merger or consolidation, or the stockholders of the Company approve a plan of complete liquidation of the Company or an agreement for the sale or disposition by the Company of (in one transaction or a series of transactions) all or substantially all of the Company's assets.

"***Claim***" means any threatened, asserted, pending or completed action, suit or proceeding, whether civil, criminal, administrative, investigative or other, including any arbitration or other alternative dispute resolution mechanism, or any appeal of any kind thereof, or any inquiry or investigation, in each case whether instituted by (or in the right of) the Company or any governmental agency or any other person or entity, in which the Indemnitee was, is, may be or will be involved as a party, witness or otherwise.

"***Expenses***" include reasonable attorneys' fees and all other reasonable direct or indirect costs, expenses and obligations, including judgments, fines, penalties, interest, appeal bonds, amounts paid in settlement (which settlement shall have been approved by the Company in accordance with the terms hereof), and counsel fees and disbursements (including, without limitation, experts' fees, court costs, retainers, appeal bond premiums, transcript fees, duplicating, printing and binding costs, as well as telecommunications, postage and courier charges) paid or incurred in connection with investigating, prosecuting, defending, settling, arbitrating, being a witness in or participating in (including on appeal), or preparing to investigate, prosecute, defend, settle, arbitrate, be a witness in or participate in, any Claim relating to any Indemnifiable Event, and shall include (without limitation) all attorneys' fees and all other expenses incurred by or on behalf of an Indemnitee in connection with preparing and submitting any requests or statements for indemnification, advancement or any other right provided by this Agreement (including, without limitation, such fees or expenses incurred in connection with legal proceedings contemplated by Section 2(d) hereof).

"***Indemnifiable Amounts***" means (i) any and all liabilities, Expenses, damages, judgments, fines, penalties, ERISA excise taxes and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such liabilities, Expenses, damages, judgments, fines, penalties, ERISA excise taxes or amounts paid in settlement) arising out of or resulting from any Claim relating to an Indemnifiable Event, (ii) any liability pursuant to a loan guaranty or otherwise, for any indebtedness of the Company or any subsidiary of the Company, including, without limitation, any indebtedness which the Company or any subsidiary of the Company has assumed or taken subject to, and (iii) any liabilities which an Indemnitee incurs as a result of acting on behalf of the Company (whether as a fiduciary or otherwise) in connection with the operation, administration or maintenance of an employee benefit plan or any related trust or funding mechanism (whether such liabilities are in the form of excise taxes assessed by the United States Internal Revenue Service, penalties assessed by the United States Department of Labor, restitutions to such a plan or trust or other funding mechanism or to a participant or beneficiary of such plan, trust or other funding mechanism, or otherwise).

"***Indemnifiable Event***" means any event or occurrence, whether occurring before, on or after the date of this Agreement, related to the fact that the Indemnitee is or was (or has agreed to serve as) a director, officer, employee, agent or fiduciary of the Company, or is or was serving (or has agreed to serve) at the request of the Company as a director, officer, employee, trustee or agent (which, for purposes hereof, shall include a fiduciary, partner or manager or similar capacity) of another corporation, partnership, joint venture, employee benefit plan, trust or other enterprise, or by reason of anything done or not done by the Indemnitee in any such capacity (in all cases whether or not the Indemnitee is acting or serving in any such capacity or has such status at the time any Indemnifiable Amount is incurred for which indemnification, advancement or any other right can be provided by this Agreement).

"***Independent Legal Counsel***" means an attorney or firm of attorneys (following a Change in Control, selected in accordance with the provisions of Section 3 hereof), who is experienced in the matters of corporate law and who shall not have otherwise performed services for the Company or the Indemnitee within the last five years (other than with respect to matters concerning the rights of the Indemnitee under this Agreement, or of other indemnitees under similar indemnity agreements).

"***Person***" means any individual, corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association, organization, governmental entity or other entity.

"***Reviewing Party***" means any appropriate person or body consisting of a member or members of the Board of Directors or any other person or body appointed by the Board of Directors who is not a party to the particular Claim for which the Indemnitee is seeking indemnification, or Independent Legal Counsel.

"***Voting Securities***" means any securities of the Company which vote generally in the election of directors.

2. Basic Indemnification Arrangement; Advancement of Expenses.

(a) In the event that the Indemnitee was, is or becomes subject to, a party to or witness or other participant in, or is threatened to be made subject to, a party to or witness or other participant in, a Claim by reason of (or arising in part out of) an Indemnifiable Event, the Company shall indemnify the Indemnitee, or cause such Indemnitee to be indemnified, to the fullest extent permitted by Delaware law; *provided*, *however*, that no change in Delaware law shall have the effect of reducing the benefits available to the Indemnitee hereunder based on Delaware law as in effect on the date hereof or as such benefits may improve as a result of amendments after the date hereof. Payments of Indemnifiable Amounts shall be made as soon as practicable but in any event no later than thirty (30) days after written demand is presented to the Company.

(b) If so requested by the Indemnitee, the Company shall advance, or cause to be advanced (within five business days of such request), any and all Expenses incurred by the Indemnitee (an "***Expense Advance***"). The Company shall, in accordance with such request (but without duplication), pay, or caused to be paid, such Expenses on behalf of the Indemnitee, unless the Indemnitee shall have elected to pay such Expenses and have such Expenses reimbursed, in which case the Company shall reimburse, or cause to be reimbursed, the Indemnitee for such Expenses. To the fullest extent permitted by Delaware law, the Indemnitee's right to an Expense Advance is absolute and shall not be subject to any prior determination by the Reviewing Party that the Indemnitee has satisfied any applicable standard of conduct for indemnification. The Indemnitee hereby undertakes to repay any amounts advanced (without interest) to the extent it is ultimately determined that Indemnitee is not entitled under this

Agreement to be indemnified by the Company in respect thereof. No other form of undertaking shall be required of the Indemnitee other than execution of this Agreement. If the Indemnitee commences legal proceedings in a court of competent jurisdiction to secure a determination that the Indemnitee should be indemnified under applicable law, the Indemnitee shall not be required to reimburse the Company for any Expense Advance until a final judicial determination is made with respect thereto.

(c) Notwithstanding anything in this Agreement to the contrary, the Indemnitee shall not be entitled to indemnification or advancement of Expenses pursuant to this Agreement in connection with any Claim initiated by the Indemnitee unless (i) the Company has joined in or the Board of Directors has authorized or consented to the initiation of such Claim or (ii) the Claim is one to enforce the Indemnitee's rights under this Agreement (including an action pursued by the Indemnitee to secure a determination that the Indemnitee should be indemnified under applicable law).

(d) A determination by the Company that the Indemnitee is not entitled to indemnification pursuant to Section 2(a) shall be made only by the Reviewing Party pursuant to a legal opinion. If there has not been a Change in Control, the Reviewing Party shall be selected by the Board of Directors, and if there has been such a Change in Control, the Reviewing Party shall be the Independent Legal Counsel referred to in Section 3 hereof. If there has been no determination by the Reviewing Party within thirty (30) days after written demand is presented to the Company or if the Reviewing Party determines that the Indemnitee would not be permitted to be indemnified in whole or in part under applicable law, the Indemnitee shall have the right to commence litigation in any court in the State of Delaware having subject matter jurisdiction thereof and in which venue is proper seeking an initial determination by the court or challenging any such determination by the Reviewing Party or any aspect thereof, including the legal or factual bases therefor, and the Company hereby consents to service of process and to appear in any such proceeding.

(e) To the extent that the Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, the Indemnitee shall be indemnified against all Indemnifiable Amounts actually and reasonably incurred in connection therewith, notwithstanding an earlier determination by the Reviewing Party that the Indemnitee is not entitled to indemnification under applicable law.

3. Change in Control. The Company agrees that if there is a Change in Control of the Company (other than a Change in Control which has been approved by a majority of the Board of Directors who were directors immediately prior to such Change in Control) then with respect to all matters thereafter arising concerning the rights of the Indemnitee to indemnity payments and Expense Advances under this Agreement or any provision of the Certificate of Incorporation or of the Bylaws of the Corporation (the "***Bylaws***") hereafter in effect relating to Claims for Indemnifiable Events, the Company shall seek legal advice only from Independent Legal Counsel selected by the Indemnitee and approved by the Company (which approval shall not be unreasonably delayed, conditioned or withheld). Such counsel, among other things, shall render its written opinion to the Company and the Indemnitee as to whether and to what extent the Indemnitee would be permitted to be indemnified under applicable law. The Company agrees to pay the reasonable fees of the Independent Legal Counsel and to indemnify fully such counsel against any and all expenses (including attorneys' fees), claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

4. Indemnification for Additional Expenses. Subject to the limitations set forth in Section 2(c), the Company shall indemnify, or cause the indemnification of, the Indemnitee against any and all Expenses and, if requested by the Indemnitee, shall advance such Expenses to the Indemnitee, subject to and in accordance with Section 2(b), which are incurred by the Indemnitee in connection with any action

brought by the Indemnitee for (i) indemnification or an Expense Advance by the Company under this Agreement or any other agreement or provision of the Certificate of Incorporation or of the Bylaws now or hereafter in effect relating to Claims for Indemnifiable Events and/or (ii) recovery under any directors' and officers' liability insurance policies maintained by the Company, regardless of whether the Indemnitee ultimately is determined to be entitled to such indemnification, Expense Advance or insurance recovery, as the case may be; provided that the Indemnitee shall be required to reimburse such Expenses in the event that a final judicial determination is made (as to which all rights of appeal therefrom have been exhausted or lapsed) that such action brought by the Indemnitee, or the defense by the Indemnitee of an action brought by the Company or any other person, as applicable, was frivolous or in bad faith.

5. Partial Indemnity, Etc. If the Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of the Expenses or other Indemnifiable Amounts in respect of a Claim but not, however, for the entire amount thereof, the Company shall nevertheless indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled. Moreover, notwithstanding any other provision of this Agreement, to the extent that the Indemnitee has been successful on the merits or otherwise in defense of any or all Claims relating in whole or in part to an Indemnifiable Event or in defense of any issue or matter therein, including dismissal without prejudice, the Indemnitee shall be indemnified against all Expenses incurred in connection therewith.

6. Burden of Proof. In connection with any determination by the Reviewing Party or otherwise as to whether the Indemnitee is entitled to be indemnified hereunder, the Reviewing Party, court, any finder of fact or other relevant person shall presume that the Indemnitee has satisfied the applicable standard of conduct and is entitled to indemnification, and the burden of proof shall be on the Company or its representative to establish by clear and convincing evidence that the Indemnitee is not so entitled.

7. Reliance as Safe Harbor. For purposes of this Agreement, and without creating any presumption as to a lack of good faith if the following circumstances do not exist, the Indemnitee shall be deemed to have acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company if the Indemnitee's actions or omissions to act are taken in good faith reliance upon the records of the Company, including its financial statements, or upon information, opinions, reports or statements furnished to the Indemnitee by the officers or employees of the Company or any of its subsidiaries in the course of their duties, or by committees of the Board of Directors, or by any other Person (including legal counsel, accountants and financial advisors) as to matters the Indemnitee reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company. In addition, the knowledge and/or actions, or failures to act, of any director, officer, agent or employee of the Company shall not be imputed to the Indemnitee for purposes of determining the right to indemnity hereunder.

8. No Other Presumptions. For purposes of this Agreement, the termination of any Claim by judgment, order, settlement (whether with or without court approval) or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not create a presumption that the Indemnitee did not meet any particular standard of conduct or have any particular belief or that a court has determined that indemnification is not permitted by applicable law. In addition, neither the failure of the Reviewing Party to have made a determination as to whether the Indemnitee has met any particular standard of conduct or had any particular belief, nor an actual determination by the Reviewing Party that the Indemnitee has not met such standard of conduct or did not have such belief, prior to the commencement of legal proceedings by the Indemnitee to secure a judicial determination that the Indemnitee should be indemnified under applicable law shall be a defense to the Indemnitee's claim or create a presumption that the Indemnitee has not met any particular standard of conduct or did not have any particular belief.

9. Nonexclusivity, Etc. The rights of the Indemnitee hereunder shall be in addition to any other rights the Indemnitee may have under the Certificate of Incorporation, the General Corporation Law of the State of Delaware (the "***DGCL***") or otherwise. To the extent that a change in the DGCL (whether by statute or judicial decision) permits greater indemnification by agreement than would be afforded currently under the Company's Certificate of Incorporation or this Agreement, it is the intent of the parties hereto that the Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. To the extent that there is a conflict or inconsistency between the terms of this Agreement and the Certificate of Incorporation, it is the intent of the parties hereto that the Indemnitee shall enjoy the greater benefits regardless of whether contained herein or in the Certificate of Incorporation. No amendment or alteration of the Certificate of Incorporation or the Bylaws or any other agreement shall adversely affect the rights provided to the Indemnitee under this Agreement. No limitation of the Indemnitee's rights pursuant to this Agreement shall in any way limit, or imply any limitation of, the Indemnitee's rights under any other agreement.

10. Liability Insurance. The Company shall use commercially reasonable efforts to maintain a policy or policies of insurance with reputable insurance companies providing directors and officers with coverage for any liability asserted by reason of the fact that they are serving as a director or officer or have agreed to serve as a director, officer, employee or agent of another enterprise, and, to the extent the Company maintains an insurance policy or policies providing directors' and officers' liability insurance, the Indemnitee shall be covered by such policy or policies, in accordance with its or their terms, to the maximum extent of the coverage available for any Company director or officer. If the Company has such insurance in effect at the time the Company receives from the Indemnitee any notice of the commencement of an action, suit or proceeding, the Company shall give prompt notice of the commencement of such action, suit or proceeding to the insurers in accordance with the procedures set forth in the policy. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of the Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policy.

11. Period of Limitations. No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against the Indemnitee, the Indemnitee's spouse, heirs, executors or personal or legal representatives after the expiration of two years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such two-year period; *provided, however*, that if any shorter period of limitations is otherwise applicable to any such cause of action such shorter period shall govern.

12. Amendments, Etc. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

13. Subrogation. Subject to Section 15(c) hereof, in the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee, who shall execute all papers required and shall do everything that may be necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights. The Company shall pay or reimburse all Expenses actually and reasonably incurred by the Indemnitee in connection with such subrogation.

14. No Duplication of Payments. Subject to Section 15(c) hereof, the Company shall not be liable under this Agreement to make any payment in connection with any Claim made against the Indemnitee to the extent the Indemnitee has otherwise actually received payment (under any insurance policy, any provision of the Certificate of Incorporation or otherwise) of the amounts otherwise indemnifiable hereunder.

15. Defense of Claims/Settlement.

(a) The Company shall be entitled to participate in the defense of any Claim relating to an Indemnifiable Event or to assume the defense thereof, with counsel reasonably satisfactory to the Indemnitee; *provided* that if the Indemnitee reasonably believes, after consultation with counsel selected by the Indemnitee, that (i) the use of counsel chosen by the Company to represent the Indemnitee would present such counsel with an actual or potential conflict of interest, (ii) the named parties in any such Claim (including any impleaded parties) include the Company or any subsidiary of the Company and the Indemnitee, and the Indemnitee concludes that there may be one or more legal defenses available to him or her that are different from or in addition to those available to the Company or such subsidiary of the Company, or (iii) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, then the Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel in respect of any particular Claim) at the Company's expense.

(b) The Company shall not be liable to the Indemnitee under this Agreement for any amounts paid in settlement of any Claim relating to an Indemnifiable Event effected without the Company's prior written consent. The Company shall not, without the prior written consent of the Indemnitee, effect any settlement of any Claim relating to an Indemnifiable Event which the Indemnitee is or could have been a party unless such settlement solely involves the payment of money and includes a complete and unconditional release of the Indemnitee from all liability on all claims that are the subject matter of such Claim. Neither the Company nor the Indemnitee shall unreasonably withhold, condition or delay its or his or her consent to any proposed settlement; *provided* that the Indemnitee may withhold consent to any settlement that does not provide a complete and unconditional release of the Indemnitee. In no event shall the Indemnitee be required to waive, prejudice or limit attorney-client privilege or work-product protection or other applicable privilege or protection.

(c) Given that certain jointly indemnifiable claims may arise due to the service of the Indemnitee as a director and/or officer of the Company at the request of the Indemnitee-related entities, the Company acknowledges and agrees that the Company shall be fully and primarily responsible for the payment to the Indemnitee in respect of indemnification or advancement of expenses in connection with any such jointly indemnifiable claim, pursuant to and in accordance with the terms of this Agreement, irrespective of any right of recovery the Indemnitee may have from the Indemnitee-related entities. Under no circumstance shall the Company be entitled to any right of subrogation or contribution by the Indemnitee-related entities, and no right of advancement or recovery the Indemnitee may have from the Indemnitee-related entities shall reduce or otherwise alter the rights of the Indemnitee or the obligations of the Company hereunder. In the event that any of the Indemnitee-related entities shall make any payment to the Indemnitee in respect of indemnification or advancement of expenses with respect to any jointly indemnifiable claim, the Indemnitee-related entity making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee against the Company, and the Indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the Indemnitee-related entities effectively to bring suit to enforce such rights. The Company and the Indemnitee agree that each of the Indemnitee-related entities shall be third-party beneficiaries with respect to this Section 15(c), entitled to enforce this Section 15(c) as though each such Indemnitee-related entity were a party to this Agreement. For purposes of this Section 15(c), the following terms shall have the following meanings:

(i) The term "***Indemnitee-related entities***" means any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise (other than the Company or any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise Indemnitee has agreed, on behalf of the Company or at the Company's request, to serve as a director, officer, employee or agent and which service is covered by the indemnity described in this Agreement) from whom an Indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Company may also have an indemnification or advancement obligation (other than as a result of obligations under an insurance policy).

(ii) The term "***jointly indemnifiable claims***" shall be broadly construed and shall include, without limitation, any action, suit or proceeding for which the Indemnitee shall be entitled to indemnification or advancement of expenses from both the Indemnitee-related entities and the Company pursuant to the DGCL, any agreement or the certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Company or the Indemnitee-related entities, as applicable.

16. No Adverse Settlement. The Company shall not seek, nor shall it agree to, consent to, support, or agree not to contest any settlement or other resolution of any Claim(s), or settlement or other resolution of any other claim, action, proceeding, demand, investigation or other matter that has the actual or purported effect of extinguishing, limiting or impairing the Indemnitee's rights hereunder, including, without limitation, the entry of any bar order or other order, decree or stipulation, pursuant to 15 U.S.C. § 78u-4 (the Private Securities Litigation Reform Act), or any similar foreign, federal or state statute, regulation, rule or law.

17. Binding Effect, Etc. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors, assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Company), spouses, heirs, executors and personal and legal representatives. This Agreement shall continue in effect regardless of whether the Indemnitee continues to serve as an officer and/or director of the Company or of any other enterprise at the Company's request. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation, or otherwise) to all or substantially all of the business and/or assets of the Company and/or its subsidiaries, by written agreement in form and substance satisfactory to the Indemnitee and his or her counsel, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

18. Severability. The provisions of this Agreement shall be severable in the event that any of the provisions hereof (including any provision within a single section, paragraph or sentence) are held by a court of competent jurisdiction to be invalid, illegal, void or otherwise unenforceable in any respect, and the validity and enforceability of any such provision in every other respect and of the remaining provisions hereof shall not be in any way impaired and shall remain enforceable to the fullest extent permitted by law.

19. Specific Performance, Etc. The parties recognize that if any provision of this Agreement is violated by the Company, the Indemnitee may be without an adequate remedy at law. Accordingly, in the event of any such violation, the Indemnitee shall be entitled, if the Indemnitee so elects, to institute proceedings, either in law or at equity, to obtain damages, to enforce specific performance, to enjoin such violation, or to obtain any relief or any combination of the foregoing as the Indemnitee may elect to pursue.

20. Notices. All notices, requests, consents and other communications hereunder to any party shall be deemed to be sufficient if contained in a written document delivered in person or sent by facsimile, nationally recognized overnight courier or personal delivery, addressed to such party at the address set forth below or such other address as may hereafter be designated on the signature pages of this Agreement or in writing by such party to the other parties:

(a) If to the Company, to:

SCYNEXIS, Inc.
3501 Tricenter Blvd,
Durham, NC 27713
Facsimile: (919) 544-8697
Attn: Eileen Pruette; General Counsel

(b) If to the Indemnitee, to the address set forth on the signature page hereof.

All such notices, requests, consents and other communications shall be deemed to have been given or made if and when received (including by overnight courier) by the parties at the above addresses or sent by electronic transmission, with confirmation received, to the facsimile numbers specified above (or at such other address or facsimile number for a party as shall be specified by like notice). Any notice delivered by any party hereto to any other party hereto shall also be delivered to each other party hereto simultaneously with delivery to the first party receiving such notice.

21. Counterparts. This Agreement may be executed in counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

22. Headings. The headings of the sections and paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction or interpretation thereof.

23. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with, the laws of the State of Delaware applicable to contracts made and to be performed in such state without giving effect to principles of conflicts of laws.

IN WITNESS WHEREOF, the parties hereto have executed this **AGREEMENT** as of the date first written above.

SCYNEXIS, INC.

By: _____

Name: _____

Title: _____

INDEMNITEE

_____

Name: _____

Business Address: _____

Telephone: _____

Facsimile: _____

[SIGNATURE PAGE TO INDEMNIFICATION AGREEMENT]

Exhibit 10.3

SCYNEXIS, INC.

2009 STOCK OPTION PLAN

1. Purpose

The purpose of this 2009 Stock Option Plan (the "**Plan**") of SCYNEXIS, Inc., a Delaware corporation (the "**Company**"), is to advance the interests of the Company's stockholders by enhancing the Company's ability to attract, retain and motivate persons who are expected to make important contributions to the Company and by providing such persons with equity ownership opportunities and performance-based incentives that are intended to align their interests with those of the Company's stockholders. Except where the context otherwise requires, the term "**Company**" includes the Company's present or future parent or subsidiary corporations as defined in Sections 424(e) or (f) of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "**Code**") and other business ventures (including, without limitation, any joint venture or limited liability company) in which the Company has a controlling interest, as determined by the Board of Directors of the Company (the "**Board**").

2. Eligibility

All of the Company's employees, officers, directors, and individual consultants and advisors (each a "**Service Provider**") are eligible to receive options (each, an "**Option**") to purchase shares of the common stock of the Company, $0.001 par value per share (the "**Common Stock**") under the Plan. Each person who receives an Option under the Plan is deemed a "**Participant.**"

3. Administration and Delegation

(a) Administration by Board of Directors. The Plan shall be administered by the Board. The Board shall have authority to grant Options and to adopt, amend and repeal such administrative rules, guidelines and practices relating to the Plan as it shall deem advisable. The Board may correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Option in the manner and to the extent it shall deem expedient to carry the Plan into effect and it shall be the sole and final judge of such expediency. All decisions by the Board shall be made in the Board's sole discretion and shall be final and binding on all persons having or claiming any interest in the Plan or in any Option. No director or person acting pursuant to the authority delegated by the Board shall be liable for any action or determination relating to or under the Plan made in good faith.

(b) Appointment of Committees. To the extent permitted by applicable law, the Board may delegate any or all of its powers under the Plan to one or more committees or subcommittees of the Board (a "**Committee**"). All references in the Plan to the "**Board**" shall mean the Board or a Committee of the Board to the extent that the Board's powers or authority under the Plan have been delegated to such Committee.

4. Stock Available for Options.

(a) Subject to adjustment under Section 6, Options may be made under the Plan for up to 1,031,435 shares of the Common Stock. If any Option expires or is terminated, surrendered or canceled without having been fully exercised or is forfeited in whole or in part or results in any Common Stock not being issued, the unused Common Stock covered by such Option shall again be available for the grant of Options under the Plan. Further, shares of Common Stock tendered to the Company by a Participant to exercise an Option shall be added to the number of shares of Common Stock available for the grant of Options under the Plan. However, in the case of Incentive Stock Options (as hereinafter defined), the foregoing provisions shall be subject to any limitations under the Code. Shares issued under the Plan may consist in whole or in part of authorized but unissued shares or treasury shares.

(b) Determination of Number of Shares Available for Grant Under the Plan. The minimum number of shares of Common Stock available for grant under the Plan shall be 130,008. This number shall be increased from time to time as follows: up to an additional 901,427 additional shares of Common Stock shall be available for grant under this 2009 Stock Option Plan, with one share becoming available for grant with respect to each option to purchase one share of Common Stock outstanding (as of the date of adoption of this 2009 Stock Option Plan) under the Company's prior Scynexis, Inc. Stock Option Plan, as amended, which was adopted in 1999, which is terminated, surrendered or canceled without having been fully exercised. All determinations pursuant to the foregoing clauses shall be made to the nearest whole share, such that no partial shares shall be reserved for grant hereunder.

(c) Substitute Options. In connection with a merger or consolidation of an entity with the Company or the acquisition by the Company of property or stock of an entity, the Board may grant Options in substitution for any options granted by such entity or an affiliate thereof. Substitute Options may be granted on such terms as the Board deems appropriate in the circumstances, notwithstanding any limitations on Options contained in the Plan. Substitute Options shall not count against the overall share limit set forth in Section 4(a), except as may be required by reason of Section 422 and related provisions of the Code.

5. Stock Options

(a) General. The Board may grant Options and determine the number of shares of Common Stock to be covered by each Option, the exercise price of each Option and the conditions and limitations applicable to the exercise of each Option, including conditions relating to applicable federal or state securities laws, as it considers necessary or advisable. An Option, or portion of an Option, which is not intended to be or fails to qualify as an Incentive Stock Option (as hereinafter defined) shall be designated a "**Nonstatutory Stock Option.**"

(b) Incentive Stock Options. An Option that the Board intends to be an "incentive stock option" as defined in Section 422 of the Code (an "**Incentive Stock Option**") shall only be granted to employees of the Company and any other entities the employees of which are eligible to receive Incentive Stock Options under the Code, and shall be subject to and shall be construed consistently with the requirements of Section 422 of the Code. A Participant who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company shall not be eligible for the grant of an Incentive Stock Option unless (i) the exercise price is at least 110% of the Fair Market Value (as defined below) on the date the Option is granted and (ii)

such Incentive Stock Option by its terms is not exercisable after the expiration of five years from the date the Option is granted. The Company shall have no liability to a Participant, or any other party, if an Option (or any part thereof) that is intended to be an Incentive Stock Option is not an Incentive Stock Option or for any action taken by the Board pursuant to Section 7(f), including without limitation the conversion of an Incentive Stock Option to a Nonstatutory Stock Option.

(c) Exercise Price. The Board shall establish the exercise price of each Option and specify such exercise price in the applicable option agreement. The exercise price shall be not less than 100% of the Fair Market Value on the date the Option is granted; provided that if the Board approves the grant of an Option with an exercise price to be determined on a future date, the exercise price shall be not less than 100% of the Fair Market Value on such future date. The term "**Fair Market Value**" shall mean, as of a given date: (i) if the Common Stock is listed on a national securities exchange, the last sale price of the Common Stock in the principal trading market for the Common Stock on such date; (ii) if the Common Stock is not listed on a national securities exchange, but is traded in the over-the counter market, the closing bid price for the Common Stock on such date, as reported by the OTC Bulletin Board or the National Quotation Bureau, Incorporated or similar publisher of such quotations; or (iii) if the Common Stock is not listed on a national securities exchange or traded in the over-the-counter market, such price as shall be determined by (or in a manner approved by) the Board in good faith and in compliance with applicable provisions of the Code and the regulations issued thereunder.

(d) Duration of Options. Each Option shall be exercisable at such times and subject to such terms and conditions as the Board may specify in the applicable option agreement.

(e) Exercise of Option. Options may be exercised by delivery to the Company of a written notice of exercise signed by the proper person or by any other form of notice (including electronic notice) approved by the Board together with payment in full as specified in Section 5(f) for the number of shares of Common Stock for which the Option is exercised. Shares of Common Stock subject to the Option will be delivered by the Company following exercise as soon as practicable.

(f) Payment Upon Exercise. Common Stock purchased upon the exercise of an Option granted under the Plan shall be paid for as follows:

(1) in cash or by check, payable to the order of the Company;

(2) to the extent approved by the Board, in its sole discretion, by (i) delivery of an irrevocable and unconditional undertaking by a creditworthy broker to deliver promptly to the Company sufficient funds to pay the exercise price and any required tax withholding or (ii) delivery by the Participant to the Company of a copy of irrevocable and unconditional instructions to a creditworthy broker to deliver promptly to the Company cash or a check sufficient to pay the exercise price and any required tax withholding;

(3) to the extent approved by the Board, in its sole discretion, when the Common Stock is registered under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**") and to the extent provided for in the applicable option agreement or approved by the Board, in its sole discretion, by delivery (either by actual delivery or attestation) of shares

of Common Stock owned by the Participant valued at their Fair Market Value, provided (i) such method of payment is then permitted under applicable law, (ii) such Common Stock, if acquired directly from the Company, was owned by the Participant for such minimum period of time, if any, as may be established by the Board in its discretion and (iii) such Common Stock is not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements;

(4) to the extent approved by the Board, in its sole discretion, by (i) delivery of a promissory note of the Participant to the Company on terms determined by the Board, or (ii) payment of such other lawful consideration as the Board may determine; or

(5) by any combination of the above permitted forms of payment.

6. Adjustments for Changes in Common Stock and Certain Other Events

(a) Changes in Capitalization. In the event of any stock split, reverse stock split, stock dividend, recapitalization, combination of shares, reclassification of shares, spin-off or other similar change in capitalization or event, or any dividend or distribution to holders of Common Stock other than an ordinary cash dividend, (i) the number and class of securities available under this Plan, and (ii) the number and class of securities and exercise price per share of each outstanding Option shall be equitably adjusted by the Company (or substituted Options may be made, if applicable) in the manner determined by the Board. Without limiting the generality of the foregoing, in the event the Company effects a split of the Common Stock by means of a stock dividend and the exercise price of and the number of shares subject to an outstanding Option are adjusted as of the date of the distribution of the dividend (rather than as of the record date for such dividend), then an optionee who exercises an Option between the record date and the distribution date for such stock dividend shall be entitled to receive, on the distribution date, the stock dividend with respect to the shares of Common Stock acquired upon such Option exercise, notwithstanding the fact that such shares were not outstanding as of the close of business on the record date for such stock dividend.

(b) Change in Control

(1) Definition. Unless otherwise specifically provided in an Option agreement, a "**Change in Control**" shall be deemed to have occurred upon the consummation of a merger, consolidation, corporate reorganization, or any transaction in which all or substantially all of the assets or stock of the Company are sold, leased, transferred or otherwise disposed of (other than a mere reincorporation transaction or one in which the holders of capital stock of the Company immediately prior to such merger or consolidations continue to hold at least a majority of the voting power of the surviving corporation).

(2) Consequences of a Change in Control on Options. Upon a Change in Control, any then unexercisable portion of an outstanding Option shall become immediately exercisable as of a date prior to the Change in Control, which date shall be determined by the Board. Notwithstanding the foregoing, an outstanding Option shall not so accelerate if and to the extent: (i) such Option is, in connection with a Change in Control, either to be assumed by the successor corporation (or parent thereof) or to be replaced with a comparable option to purchase shares of the capital stock of the successor corporation (or parent thereof), (ii) such Option is to

be replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested Option at the time of such Change in Control and provides for subsequent payout in accordance with the same vesting schedule applicable to such Option or (iii) the acceleration of such Option is subject to other limitations imposed by the Board at the time of the grant of the Option. The determination of option comparability under clause (i) above shall be made by the Board, and its determination shall be final, binding and conclusive. The exercise of any Option that was permissible solely by reason of this Section 6(b)(2) shall be conditioned upon the consummation of the Change in Control. The Board may further elect, in its sole discretion to provide that any Options which became exercisable solely by reason of this Section 6(b)(2) and which are not exercised as of the date of the Change in Control shall terminate effective as of the date of the Change in Control.

7. General Provisions Applicable to Options

(a) Transferability of Options. Except as the Board may otherwise expressly determine or provide in an Option, Options shall not be sold, assigned, transferred, pledged or otherwise encumbered by the person to whom they are granted, either voluntarily or by operation of law, except by will or the laws of descent and distribution or, other than in the case of an Incentive Stock Option, pursuant to a qualified domestic relations order, and, during the life of the Participant, shall be exercisable only by the Participant. References to a Participant, to the extent relevant in the context, shall include references to authorized transferees.

(b) Documentation. Unless otherwise expressly determined by the Board, each Incentive Stock Option shall be evidenced by a Notice of Incentive Stock Option and Incentive Stock Option Agreement substantially in the form attached as **Exhibit A**, and each Nonstatutory Stock Option shall be evidenced by a Notice of Nonstatutory Stock Option and Nonstatutory Stock Option Agreement substantially in the form attached as **Exhibit B**. Each Option may contain terms and conditions in addition to those set forth in the Plan.

(c) Board Discretion. Except as otherwise provided by the Plan, each Option may be made alone or in addition or in relation to any other Option. The terms of each Option need not be identical, and the Board need not treat Participants uniformly.

(d) Termination of Status. The Board shall determine the effect on an Option of the disability, death, termination of employment, authorized leave of absence or other change in the employment or other status of a Participant and the extent to which, and the period during which, the Participant, or the Participant's legal representative, conservator, guardian or Designated Beneficiary, may exercise rights under the Option.

(e) Withholding. The Participant must satisfy all applicable federal, state, and local or other income and employment tax withholding obligations before the Company will deliver stock certificates or otherwise recognize ownership of Common Stock under an Option. The Company may decide to satisfy the withholding obligations through additional withholding on salary or wages. If the Company elects not to or cannot withhold from other compensation, the Participant must pay the Company the full amount, if any, required for withholding or have a broker tender to the Company cash equal to the withholding obligations. Payment of withholding obligations is due before the Company will issue any shares on exercise of an Option or, if the

Company so requires, at the same time as is payment of the exercise price unless the Company determines otherwise. If provided for in an Option or approved by the Board in its sole discretion, a Participant may satisfy such tax obligations in whole or in part by delivery of shares of Common Stock, including shares retained from the Option creating the tax obligation, valued at their Fair Market Value; provided, however, except as otherwise provided by the Board, that the total tax withholding where stock is being used to satisfy such tax obligations cannot exceed the Company's minimum statutory withholding obligations (based on minimum statutory withholding rates for federal and state tax purposes, including payroll taxes, that are applicable to such supplemental taxable income). Shares surrendered to satisfy tax withholding requirements cannot be subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements.

(f) Amendment of Option.

(1) The Board may amend, modify or terminate any outstanding Option, including but not limited to, changing the date of exercise or realization, and converting an Incentive Stock Option to a Nonstatutory Stock Option, provided that the Participant's consent to such action shall be required unless the Board determines in good faith that the action, taking into account any related action, would not materially and adversely affect the Participant.

(2) The Board may, without stockholder approval, amend any outstanding Option granted under the Plan to provide an exercise price per share that is lower than the then-current exercise price per share of such outstanding Option provided that such amended exercise price is at least equal to the then-current Fair Market Value. The Board may also, without stockholder approval, cancel any outstanding Option (whether or not granted under the Plan) and grant in substitution new Options under the Plan covering the same or a different number of shares of Common Stock and having an exercise price per share lower than the then-current exercise price per share of the cancelled Option.

(g) Conditions on Delivery of Stock. The Company will not be obligated to deliver any shares of Common Stock pursuant to the Plan or to remove restrictions from shares previously delivered under the Plan until (i) all conditions of the Option have been met or removed to the satisfaction of the Company, (ii) in the opinion of the Company's counsel, all other legal matters in connection with the issuance and delivery of such shares have been satisfied, including any applicable securities laws and any applicable stock exchange or stock market rules and regulations, and (iii) the Participant has executed and delivered to the Company such representations or agreements as the Company may consider appropriate to satisfy the requirements of any applicable laws, rules, regulations or contracts of the Company.

(h) Acceleration. The Board may at any time provide that any Option shall become immediately exercisable in full or in part, free of some or all restrictions or conditions, or otherwise realizable in full or in part, as the case may be.

8. Miscellaneous

(a) No Right To Employment or Other Status. No person shall have any claim or right to be granted an Option, and the grant of an Option shall not be construed as giving a Participant the right to continued employment or any other relationship with the Company. The

Company expressly reserves the right at any time to dismiss or otherwise terminate its relationship with a Participant free from any liability or claim under the Plan, except as expressly provided in the applicable Option.

(b) No Rights As Stockholder. Subject to the provisions of the applicable Option, no Participant or Designated Beneficiary shall have any rights as a stockholder with respect to any shares of Common Stock to be distributed with respect to an Option until becoming the record holder of such shares. Notwithstanding the foregoing, in the event the Company effects a split of the Common Stock by means of a stock dividend or otherwise and the exercise price of and the number of shares subject to such Option are adjusted as of the effective date of the stock dividend or split (rather than as of the record date for such stock dividend or split), then an optionee who exercises an Option between the record date and the distribution date for such stock dividend or split shall be entitled to receive, on the distribution date, the stock dividend or split with respect to the shares of Common Stock acquired upon such Option exercise, notwithstanding the fact that such shares were not outstanding as of the close of business on the record date for such stock dividend or split.

(c) Effective Date and Term of Plan. The Plan shall become effective on the date on which it is adopted by the Board. No Options shall be granted under the Plan after the expiration of 10 years from the earlier of (i) the date on which the Plan was adopted by the Board or (ii) the date the Plan was approved by the Company's stockholders, but Options previously granted may extend beyond that date.

(d) Amendment of Plan. The Board may amend, suspend or terminate the Plan or any portion thereof at any time; provided, however, that if at any time the approval of the Company's stockholders is required as to any modification or amendment under Section 422 of the Code or any successor provision with respect to Incentive Stock Options, the Board may not effect such modification or amendment without such approval. Unless otherwise specified in the amendment, any amendment to the Plan adopted in accordance with this Section 8(d) shall apply to, and be binding on the holders of, all Options outstanding under the Plan at the time the amendment is adopted, provided the Board determines in good faith that such amendment does not materially and adversely affect the rights of Participants under the Plan.

(e) Authorization of Sub-Plans. The Board may from time to time establish one or more sub-plans under the Plan for purposes of satisfying applicable blue sky, securities or tax laws of various jurisdictions. The Board shall establish such sub-plans by adopting supplements to this Plan containing (i) such limitations on the Board's discretion under the Plan as the Board deems necessary or desirable or (ii) such additional terms and conditions not otherwise inconsistent with the Plan as the Board shall deem necessary or desirable. All supplements adopted by the Board shall be deemed to be part of the Plan, but each supplement shall apply only to Participants within the affected jurisdiction and the Company shall not be required to provide copies of any supplement to Participants in any jurisdiction which is not the subject of such supplement.

(f) Compliance with Code Section 409A. It is intended that all Options granted hereunder be either exempt from, or issued in compliance with, Code Section 409A. The Company shall have no liability to a Participant, or any other party, if an Option that is intended

to be exempt from, or compliant with, Code Section 409A is not so exempt or compliant, or for any action taken by the Board.

(g) Governing Law. The provisions of the Plan and all Options made hereunder shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware, as to matters within the scope thereof, and the internal laws of the State of North Carolina (without reference to conflict of law provisions), as to all other matters.

* * * * * * *

EXHIBIT A

Notice of Incentive Stock Option
and
Incentive Stock Option Agreement

9.

SCYNEXIS, INC.

NOTICE OF INCENTIVE STOCK OPTION
2009 STOCK OPTION PLAN

SCYNEXIS, Inc., a Delaware corporation (the "**Company**") grants to the undersigned (the "**Participant**") the following incentive stock option to purchase shares (the "**Shares**") of the common stock of the Company, par value $0.001 per share (the "**Common Stock**"), pursuant to the Company's 2009 Stock Option Plan (the "**Plan**"):

Participant:	**[**Participant Name**]**
Total Number of Shares:	**[**Number of Shares**]**
Grant Date:	**[**Grant Date**]**
Exercise Price per Share:	$**[**Exercise Price**]**
Vesting Commencement Date:	**[**Vesting Date**]**
Vesting Schedule:	**[**Describe Vesting Schedule**]**
Final Exercise Date:	**[**Expiration Date**]**. This Option may expire earlier pursuant to Section 3 of the Incentive Stock Option Agreement if the Participant's relationship with the Company is terminated or pursuant to Section 6 of the Plan.

This incentive stock option is granted under and governed by the terms and conditions of the Plan and the Incentive Stock Option Agreement, both of which are incorporated herein by reference. By signing below, the Participant accepts this incentive stock option, acknowledges receipt of a copy of the Plan and the Incentive Stock Option Agreement, and agrees to the terms thereof.

[PARTICIPANT NAME]

(Signature)

Address: _____

SCYNEXIS, INC.

By: _____

Name: _____

Title: _____

Date: _____

THE OPTION GRANTED PURSUANT TO THIS AGREEMENT AND THE SHARES ISSUABLE UPON THE EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR APPLICABLE LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

SCYNEXIS, INC.

INCENTIVE STOCK OPTION AGREEMENT
Granted under 2009 Stock Option Plan

1. Grant of Option.

This Incentive Stock Option Agreement (the "**Agreement**") evidences the grant by SCYNEXIS, Inc., a Delaware corporation (the "**Company**"), on the Grant Date to the Participant, an employee of the Company, of an option (this "**Option**") to purchase, in whole or in part, on the terms provided herein and in the Plan, the Total Number of Shares at the Exercise Price per Share, all as defined and set forth in the accompanying Notice of Incentive Stock Option (the "**Notice**"). Capitalized terms that are not otherwise defined herein or in the Notice shall have the meanings given to such terms in the Plan.

It is intended that this Option shall be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "**Code**"). If for any reason the Option, or any portion thereof, does not meet the requirements of Section 422 of the Code, then the Option, or any portion thereof, as necessary, shall be deemed a nonstatutory stock option granted under the Plan. Except as otherwise indicated by the context, the term "Participant," as used in this Agreement, shall include any person who acquires the right to exercise this Option validly under its terms.

2. Vesting Schedule.

This Option shall vest and become exercisable at the time or times set forth in the accompanying Notice.

In addition, this Option may vest and become exercisable on an accelerated basis as follows: upon a Change in Control (as defined in the Plan), any then unexercisable portion of this Option shall become immediately exercisable as of a date prior to the Change in Control, which date shall be determined by the Board of Directors of the Company (the "Board"). Notwithstanding the foregoing, this Option shall not so accelerate if and to the extent: (i) this Option is, in connection with a Change in Control, either to be assumed by the successor corporation (or parent thereof) or to be replaced with a comparable option to purchase shares of the capital stock of the successor corporation (or parent thereof), (ii) this Option is to be replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested portion of this Option at the time of such Change in Control and provides for subsequent payout in accordance with the same vesting schedule applicable to this Option or (iii) the acceleration of this Option is subject to other limitations imposed by the Board at the time of

the grant of this Option. The determination of option comparability under clause (i) above shall be made by the Board, and its determination shall be final, binding and conclusive. The exercise of any portion of this Option that was permissible solely by reason of this Paragraph 2(b) shall be conditioned upon the consummation of the Change in Control. The Board may further elect, in its sole discretion to provide that any portion of this Option which became exercisable solely by reason of this Paragraph 2(b) and which is not exercised as of the date of the Change in Control shall terminate effective as of the date of the Change in Control.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this Option shall be in writing in substantially the form of the Notice of Stock Option Exercise attached to this Agreement as **Exhibit A**, signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan. The Participant may purchase less than the number of Shares subject to this Option; provided that, no partial exercise of this Option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this Option may not be exercised unless the Participant, at the time of the exercise of this Option, is, and has been at all times since the Grant Date, an employee, officer, director, individual consultant or advisor (a "**Service Provider**") to or of the Company or any subsidiary of the Company as defined in Section 424 (f) of the Code (an "**Eligible Participant**").

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this Option shall terminate three months after such cessation (but in no event after the Final Exercise Date); provided that, this Option shall be exercisable only to the extent that the Participant was entitled to exercise this Option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment agreement, confidentiality and nondisclosure agreement, or other agreement between the Participant and the Company, the right to exercise this Option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while the Participant is an Eligible Participant and the Company has not terminated such relationship for "Cause" (as defined below), this Option shall be exercisable, within the period of one year following the date of death or disability of the Participant, by the Participant (or in the case of death by an authorized transferee); provided that, this Option shall be exercisable only to the extent that this Option was exercisable by the Participant on the date of the Participant's death or disability, and further provided that this Option shall not be exercisable after the Final Exercise Date.

(e) Termination for Cause. If, prior to the Final Exercise Date, the Participant's status as a Service Provider is terminated by the Company for Cause (as defined below), the right to exercise this Option shall terminate immediately upon the effective date of such termination.

If the Participant is party to an agreement with the Company that contains an applicable definition of "cause", "**Cause**" shall have the meaning ascribed to such term in such agreement. Otherwise, "**Cause**" shall mean willful misconduct by the Participant or willful failure by the Participant to perform the Participant's responsibilities to the Company (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company), as determined by the Company, which determination shall be conclusive.

4. Restrictions on Transfer; Rights of First Refusal.

(a) Bylaws. The Participant acknowledges and agrees that the Shares are subject to the provisions of the Company's Bylaws, as amended from time to time (the "**Bylaws**"), including without limitation, all restrictions on transfer and rights of first refusal described in the Bylaws. The Participant may inspect the Bylaws at the Company's principal office.

(b) Legend. Any certificate representing Shares shall bear a legend substantially in the following form (in addition to, or in combination with, any legend required by applicable federal and state securities laws and agreements relating to the transfer and/or voting of the Company securities):

> "The securities represented by this certificate, and the transfer thereof, are subject to the restriction on transfer provisions of the Bylaws of the Company, a copy of which is on file in, and may be examined at, the principal office of the Company"

(c) Agreement in Connection with Public Offering. The Participant agrees, in connection with the initial underwritten public offering of the Company's securities pursuant to a registration statement under the Securities Act of 1933, as amended (the "**Securities Act**"): (i) not to sell, make short sale of, loan, grant any options for the purchase of, or otherwise dispose of any shares of Common Stock held by the Participant (other than those shares included in the offering) without the prior written consent of the Company or the underwriters managing such initial underwritten public offering of the Company's securities for a period of 180 days from the effective date of such registration statement, which period may be extended upon the request of the underwriters for an additional period of up to fifteen (15) days if the Company issues or proposes to issue an earnings or other public release within fifteen (15) days of the expiration of the 180-day lockup period, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering.

(d) The Participant agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters of such offering which are consistent with the foregoing or which are necessary to give further effect thereto. In addition, if requested, by the Company or the underwriters of such offering, the Participant shall provide, within 10 days of such request, such information as may be required by the Company or such underwriters in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act. The obligations described in this Section 5 shall not apply to a registration relating solely to employee benefits plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a Commission Rule 145 transaction on Form S-4 or similar forms that may be promulgated in the

future. The Company may impose stop-transfer instructions with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of the applicable period. Participant agrees that any transferee of this Option or Shares pursuant to this Agreement shall be bound by this Section 5.

5. Tax Matters.

(a) Withholding. No Shares shall be issued pursuant to the exercise of this Option unless and until the Participant pays to the Company, or makes provision satisfactory to the Company for payment of, any federal, state or local withholding taxes required by law to be withheld in respect of this Option.

(b) Disqualifying Disposition. If the Participant disposes of Shares acquired upon exercise of this Option within two years from the Grant Date or one year after such Shares were acquired pursuant to exercise of this Option, the Participant shall immediately notify the Company in writing of such disposition and shall timely satisfy all resulting tax obligations and shall hold the Company harmless with respect to any such tax obligations.

(c) Code Section 409A. The Exercise Price is intended to be the Fair Market Value of the Common Stock on the Grant Date. The Company has determined the Fair Market Value of the Common Stock in good faith and using the reasonable application of a reasonable valuation method, for purposes of determining the Exercise Price. Notwithstanding this, the Internal Revenue Service may assert that the Fair Market Value of the Common Stock on the Grant Date was greater than the Exercise Price. Under Code Section 409A, if the Exercise Price is less than the Fair Market Value of the Common Stock as of the Grant Date, this Option may be treated as a form of deferred compensation and the Participant may be subject to an additional twenty percent (20%) tax, plus interest and possible penalties. The Participant acknowledges that the Company has advised the Participant to consult with a tax adviser regarding the potential impact of Code Section 409A and that the Company, in the exercise of its sole discretion and without the consent of the Participant, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to meet the requirements of Code Section 409A, as amplified by any Internal Revenue Service or U.S. Treasury Department regulations or guidance as the Company deems appropriate or advisable.

(d) Nontransferability of Option. This Option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Option shall be exercisable only by the Participant.

(e) Provisions of the Plan. This Option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this Option.

6. Entire Agreement; Governing Law. The Plan and the accompanying Notice are incorporated herein by reference. This Agreement, the Notice and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the

Participant with respect to the subject matter hereof. This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware, as to matters within the scope thereof, and the internal laws of the State of North Carolina (without reference to conflict of law provisions), as to all other matters.

7. Amendment. Except as set forth in Section 6(c), this Agreement may not be modified or amended in any manner adverse to the Participant's interest except by means of a writing signed by the Company and Participant.

8. No Guarantee of Continued Service. THE PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF OPTIONS PURSUANT TO THE VESTING SCHEDULE SET FORTH HEREIN AND IN THE NOTICE ARE EARNED ONLY BY CONTINUING SERVICE AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER). THE PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED SERVICE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE PARTICIPANT'S SERVICE WITH OR WITHOUT CAUSE.

* * *

Exhibit A

SCYNEXIS, INC.

NOTICE OF INCENTIVE STOCK OPTION EXERCISE
2009 STOCK OPTION PLAN

The undersigned (the "**Participant**") has previously been awarded an incentive stock option (the "**Option**") to purchase shares (the "**Shares**") of the common stock of SCYNEXIS, Inc., a Delaware corporation (the "**Company**"), pursuant to the Company's 2009 Stock Option Plan (the "**Plan**"), and hereby notifies the Company of the Participant's desire to exercise the Option on the terms set forth herein:

PARTICIPANT INFORMATION:		**OPTION INFORMATION:**	
Name:		Grant Date:	
Address:		Exercise Price Per Share:	$
Taxpayer ID #:		Total Shares Covered by Option:	

EXERCISE INFORMATION:

Number of Shares Being Purchased:	
Aggregate Exercise Price:	$
Form of Payment (check all that apply):	Check for $ made payable to "SCYNEXIS, Inc."
	Cash in the amount of $
Please register the Shares in my name as follows:	_____ (Print name as it is to appear on stock certificate)

REPRESENTATIONS AND WARRANTIES OF THE PARTICIPANT:

1. The Participant hereby represents and warrants to the Company that, as of the date hereof:

2. I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act of 1933 (the "**Securities Act**"), or any rule or regulation under the Securities Act.

3. I have had such opportunity as I have deemed adequate to obtain from representatives of the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company.

4. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

5. I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period.

6. I acknowledge that I am acquiring the Shares subject to all other terms of the Plan, including the Notice of Incentive Stock Option and related Incentive Stock Option Agreement.

7. I acknowledge that the Company has encouraged me to consult my own adviser to determine the tax consequences of acquiring the Shares at this time. I acknowledge that the Company has encouraged me to consult my own adviser to determine the form of ownership that is appropriate for me.

8. I acknowledge that the Shares remain subject to the Company's right of first refusal in the Bylaws and the market stand-off (sometimes referred to as the "lock-up"), all in accordance with the applicable Notice of Incentive Stock Option and related Incentive Stock Option Agreement.

9. I understand that (i) the Shares have not been registered under the Securities Act and are "restricted securities" within the meaning of Rule 144 under the Securities Act, (ii) the Shares cannot be sold, transferred or otherwise disposed of unless they are subsequently registered under the Securities Act or an exemption from registration is then available; (iii) in any event, the exemption from registration under Rule 144 will not be available for at least six months or one year (depending on whether the Company is subject to the reporting obligations of the Securities Exchange Act of 1934, as amended) and even then will not be available unless applicable terms and conditions of Rule 144 are complied with; and (iv) there is now no registration statement on file with the Securities and Exchange Commission with respect to any stock of the Company and the Company has no obligation or current intention to register the Shares under the Securities Act.

(Print Participant Name)

(Signature)

Date: _____

EXHIBIT B

Notice of Nonstatutory Stock Option

and

Nonstatutory Stock Option Agreement

19.

SCYNEXIS, INC.

NOTICE OF NONSTATUTORY STOCK OPTION
2009 STOCK OPTION PLAN

SCYNEXIS, Inc., a Delaware corporation (the "**Company**") grants to the undersigned (the "**Participant**") the following nonstatutory stock option to purchase shares (the "**Shares**") of the common stock of the Company, par value $0.001 per share (the "**Common Stock**") pursuant to the Company's 2009 Stock Option Plan (the "**Plan**"):

Participant:	**[**Participant Name**]**
Total Number of Shares:	**[**Number of Shares**]**
Grant Date:	**[**Grant Date**]**
Exercise Price per Share:	$**[**Exercise Price**]**
Vesting Commencement Date:	**[**Vesting Date**]**
Vesting Schedule:	**[**Describe Vesting Schedule**]**
Final Exercise Date:	**[**Expiration Date**]**. This option may expire earlier pursuant to Section 3 of the Nonstatutory Stock Option Agreement if the Participant's relationship with the Company is terminated, or pursuant to Section 6 of the Plan.

This nonstatutory stock option is granted under and governed by the terms and conditions of the Plan and the accompanying Nonstatutory Stock Option Agreement, both of which are incorporated herein by reference. By signing below, the Participant accepts this nonstatutory stock option, acknowledges receipt of a copy of the Plan and the Nonstatutory Stock Option Agreement, and agrees to the terms thereof.

[PARTICIPANT NAME]

By: _____
(Signature)

Name: _____

Address: _____

Date: _____

SCYNEXIS, INC.

Title: _____

THE OPTION GRANTED PURSUANT TO THIS AGREEMENT AND THE SHARES ISSUABLE UPON THE EXERCISE THEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAWS, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHOUT AN EFFECTIVE REGISTRATION THEREOF UNDER SUCH ACT OR APPLICABLE LAWS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED.

SCYNEXIS, INC.

NONSTATUTORY STOCK OPTION AGREEMENT
Granted Under 2009 Stock Option Plan

1. Grant of Option.

This Nonstatutory Stock Option Agreement (the "**Agreement**") evidences the grant by SCYNEXIS, Inc., a Delaware corporation (the "**Company**"), on the Grant Date to the Participant, a**[**n**]** **[**employee/officer/director/consultant/advisor**]** of the Company, of an option (this "**Option**") to purchase, in whole or in part, on the terms provided herein and in the Plan, the Total Number of Shares of Common Stock at the Exercise Price per Share, all as defined and set forth in the accompanying Notice of Nonstatutory Stock Option (the "**Notice**"). Capitalized terms that are not otherwise defined herein or in the Notice shall have the meanings given to such terms in the Plan.

It is intended that this Option shall not be an incentive stock option as defined in Section 422 of the Internal Revenue Code of 1986, as amended, and any regulations promulgated thereunder (the "**Code**"). Except as otherwise indicated by the context, the term "Participant," as used in this Agreement, shall include any person who acquires the right to exercise this Option validly under its terms.

2. Vesting Schedule.

This Option shall vest and become exercisable at the time or times set forth in the accompanying Notice.

In addition, this Option may vest and become exercisable on an accelerated basis as follows: upon a Change in Control (as defined in the Plan), any then unexercisable portion of this Option shall become immediately exercisable as of a date prior to the Change in Control, which date shall be determined by the Board of Directors of the Company (the "**Board**"). Notwithstanding the foregoing, this Option shall not so accelerate if and to the extent: (i) this Option is, in connection with a Change in Control, either to be assumed by the successor corporation (or parent thereof) or to be replaced with a comparable option to purchase shares of the capital stock of the successor corporation (or parent thereof), (ii) this Option is to be replaced with a cash incentive program of the successor corporation which preserves the spread existing on the unvested portion of this Option at the time of such Change in Control and provides for subsequent payout in accordance with the same vesting schedule applicable to this Option or (iii) the acceleration of this Option is subject to other limitations imposed by the Board at the time of the grant of this Option. The determination of option comparability under clause (i) above shall be made by the Board, and its determination shall be final, binding and conclusive. The exercise of any portion of this Option that was permissible solely by reason of this Paragraph 2(b) shall be conditioned upon the consummation of the Change in Control. The Board may further elect, in its sole discretion to provide that any portion of this Option which became exercisable solely by reason of this Paragraph 2(b) and which is not exercised as of the date of the Change in Control shall terminate effective as of the date of the Change in Control.

3. Exercise of Option.

(a) Form of Exercise. Each election to exercise this Option shall be in writing in substantially the form of the Notice of Stock Option Exercise attached to this Agreement as **Exhibit A**, signed by the Participant, and received by the Company at its principal office, accompanied by this Agreement, and payment in full in the manner provided in the Plan. The Participant may purchase less than the number of Shares subject to this Option; provided that, no partial exercise of this Option may be for any fractional share.

(b) Continuous Relationship with the Company Required. Except as otherwise provided in this Section 3, this Option may not be exercised unless the Participant, at the time of the exercise of this Option, is, and has been at all times since the Grant Date, an employee, officer, director, individual consultant or advisor (a "**Service Provider**") to or of the Company or any subsidiary of the Company as defined in Section 424 (f) of the Code (an "**Eligible Participant**").

(c) Termination of Relationship with the Company. If the Participant ceases to be an Eligible Participant for any reason, then, except as provided in paragraphs (d) and (e) below, the right to exercise this Option shall terminate **[**Insert Exercise Period**]** after such cessation (but in no event after the Final Exercise Date); provided that, this Option shall be exercisable only to the extent that the Participant was entitled to exercise this Option on the date of such cessation. Notwithstanding the foregoing, if the Participant, prior to the Final Exercise Date, violates the non-competition or confidentiality provisions of any employment agreement, confidentiality and nondisclosure agreement, or other agreement between the Participant and the Company, the right to exercise this Option shall terminate immediately upon such violation.

(d) Exercise Period Upon Death or Disability. If the Participant dies or becomes disabled (within the meaning of Section 22(e)(3) of the Code) prior to the Final Exercise Date while the Participant is an Eligible Participant and the Company has not terminated such relationship for "Cause" (as defined below), this Option shall be exercisable, within the period of one year following the date of death or disability of the Participant, by the Participant (or in the case of death by an authorized transferee); provided that, this Option shall be exercisable only to the extent that this Option was exercisable by the Participant on the date of the Participant's death or disability, and further provided that this Option shall not be exercisable after the Final Exercise Date.

(e) Termination for Cause. If, prior to the Final Exercise Date, the Participant's status as a Service Provider is terminated by the Company for Cause (as defined below), the right to exercise this Option shall terminate immediately upon the effective date of such termination. If the Participant is party to an agreement with the Company that contains an applicable definition of "cause", "**Cause**" shall have the meaning ascribed to such term in such agreement. Otherwise, "**Cause**" shall mean willful misconduct by the Participant or willful failure by the Participant to perform the Participant's responsibilities to the Company (including, without limitation, breach by the Participant of any provision of any employment, consulting, advisory, nondisclosure, non-competition or other similar agreement between the Participant and the Company), as determined by the Company, which determination shall be conclusive.

4. Restrictions on Transfer; Rights of First Refusal.

(a) Bylaws. The Participant acknowledges and agrees that the Shares are subject to the provisions of the Company's Bylaws, as amended from time to time (the "**Bylaws**"), including without limitation, all restrictions on transfer and rights of first refusal described in the Bylaws. The Participant may inspect the Bylaws at the Company's principal office.

(b) Legend. Any certificate representing Shares shall bear a legend substantially in the following form (in addition to, or in combination with, any legend required by applicable federal and state securities laws and agreements relating to the transfer and/or voting of the Company securities):

"The securities represented by this certificate, and the transfer thereof, are subject to the restriction on transfer provisions of the Bylaws of the Company, a copy of which is on file in, and may be examined at, the principal office of the Company."

5. Agreement in Connection with Public Offering. The Participant agrees, in connection with the initial underwritten public offering of the Company's securities pursuant to a registration statement under the Securities Act of 1933, as amended (the "**Securities Act**"): (i) not to sell, make short sale of, loan, grant any options for the purchase of, or otherwise dispose of any shares of Common Stock held by the Participant (other than those shares included in the offering) without the prior written consent of the Company or the underwriters managing such initial underwritten public offering of the Company's securities for a period of 180 days from the effective date of such registration statement, which period may be extended upon the request of the underwriters for an additional period of up to fifteen (15) days if the Company issues or proposes to issue an earnings or other public release within fifteen (15) days of the expiration of the 180-day lockup period, and (ii) to execute any agreement reflecting clause (i) above as may be requested by the Company or the managing underwriters at the time of such offering.

The Participant agrees to execute and deliver such other agreements as may be reasonably requested by the Company or the underwriters of such offering which are consistent with the foregoing or which are necessary to give further effect thereto. In addition, if requested, by the Company or the underwriters of such offering, the Participant shall provide, within 10 days of such request, such information as may be required by the Company or such underwriters in connection with the completion of any public offering of the Company's securities pursuant to a registration statement filed under the Securities Act. The obligations described in this Section 5 shall not apply to a registration relating solely to employee benefits plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a Commission Rule 145 transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of the applicable period. Participant agrees that any transferee of this Option or Shares pursuant to this Agreement shall be bound by this Section 5.

6. Tax Matters.

(a) Withholding. No Shares shall be issued pursuant to the exercise of this Option unless and until the Participant pays to the Company, or makes provision satisfactory to the

Company for payment of, any federal, state or local withholding or other taxes required by law to be withheld in respect of this Option.

(b) Code Section 409A. The Exercise Price is intended to be not less than the Fair Market Value of the Common Stock on the Grant Date. The Company has determined the Fair Market Value of the Common Stock in good faith and using the reasonable application of a reasonable valuation method, for purposes of determining the Exercise Price. Notwithstanding this, the Internal Revenue Service may assert that the Fair Market Value of the Common Stock on the Grant Date was greater than the Exercise Price. Under Code Section 409A, if the Exercise Price is less than the Fair Market Value of the Common Stock as of the Grant Date, this Option may be treated as a form of deferred compensation and the Participant may be subject to an additional twenty percent (20%) tax, plus interest and possible penalties. The Participant acknowledges that the Company has advised the Participant to consult with a tax adviser regarding the potential impact of Code Section 409A and that the Company, in the exercise of its sole discretion and without the consent of the Participant, may amend or modify this Agreement in any manner and delay the payment of any amounts payable pursuant to this Agreement to the minimum extent necessary to meet the requirements of Code Section 409A, as amplified by any Internal Revenue Service or U.S. Treasury Department regulations or guidance as the Company deems appropriate or advisable.

(c) Nontransferability of Option. This Option may not be sold, assigned, transferred, pledged or otherwise encumbered by the Participant, either voluntarily or by operation of law, except by will or the laws of descent and distribution, and, during the lifetime of the Participant, this Option shall be exercisable only by the Participant.

(d) Provisions of the Plan. This Option is subject to the provisions of the Plan, a copy of which is furnished to the Participant with this Option.

7. Entire Agreement; Governing Law. The Plan and the Notice are incorporated herein by reference. This Agreement, the Notice and the Plan constitute the entire agreement between the Company and the Participant with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Participant with respect to the subject matter hereof. This Agreement shall be governed by and construed in accordance with the General Corporation Law of the State of Delaware, as to matters within the scope thereof, and the internal laws of the State of North Carolina (without reference to conflict of law provisions), as to all other matters.

8. Amendment. Except as set forth in Section 6(b), this Agreement may not be modified or amended in any manner adverse to the Participant's interest except by means of a writing signed by the Company and Participant.

9. No Guarantee of Continued Service. THE PARTICIPANT ACKNOWLEDGES AND AGREES THAT THE VESTING OF OPTIONS PURSUANT TO THE VESTING SCHEDULE SET FORTH HEREIN AND IN THE NOTICE ARE EARNED ONLY BY CONTINUING SERVICE AT THE WILL OF THE COMPANY (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS OPTION OR ACQUIRING SHARES HEREUNDER). THE PARTICIPANT FURTHER ACKNOWLEDGES AND AGREES THAT THIS AGREEMENT,

THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE VESTING SCHEDULE SET FORTH HEREIN DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED SERVICE FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH PARTICIPANT'S RIGHT OR THE COMPANY'S RIGHT TO TERMINATE PARTICIPANT'S SERVICE WITH OR WITHOUT CAUSE.

* * * * * * * * * *

Exhibit A

SCYNEXIS, INC.

NOTICE OF NONSTATUTORY STOCK OPTION EXERCISE
2009 STOCK OPTION PLAN

The undersigned (the "**Participant**") has previously been awarded a nonstatutory stock option (the "**Option**") to purchase shares (the "**Shares**") of the common stock of SCYNEXIS, Inc., a Delaware corporation (the "**Company**"), pursuant to the Company's 2009 Stock Option Plan (the "**Plan**"), and hereby notifies the Company of the Participant's desire to exercise the Option on the terms set forth herein:

PARTICIPANT INFORMATION:	**OPTION INFORMATION:**
Name:	Grant Date:
Address:	Exercise Price Per Share:
	$
Taxpayer ID #:	Total Shares Covered by Option:

EXERCISE INFORMATION:

Number of Shares Being Purchased:

Aggregate Exercise Price: $

Form of Payment (check all that apply): Check for $ made payable to "SCYNEXIS, Inc."

Cash in the amount of $

Please register the Shares in my name as follows:

(Print name as it is to appear on stock certificate)

REPRESENTATIONS AND WARRANTIES OF THE PARTICIPANT:

The Participant hereby represents and warrants to the Company that, as of the date hereof:

1. I am purchasing the Shares for my own account for investment only, and not with a view to, or for sale in connection with, any distribution of the Shares in violation of the Securities Act of 1933 (the "**Securities Act**"), or any rule or regulation under the Securities Act.

2. I have had such opportunity as I have deemed adequate to obtain from representatives of the Company such information as is necessary to permit me to evaluate the merits and risks of my investment in the Company.

3. I have sufficient experience in business, financial and investment matters to be able to evaluate the risks involved in the purchase of the Shares and to make an informed investment decision with respect to such purchase.

4. I can afford a complete loss of the value of the Shares and am able to bear the economic risk of holding such Shares for an indefinite period.

5. I acknowledge that I am acquiring the Shares subject to all other terms of the Plan, including the Notice of Nonstatutory Stock Option and related Nonstatutory Stock Option Agreement.

6. I acknowledge that the Company has encouraged me to consult my own adviser to determine the tax consequences of acquiring the Shares at this time. I acknowledge that the Company has encouraged me to consult my own adviser to determine the form of ownership that is appropriate for me.

7. I acknowledge that the Shares remain subject to the Company's right of first refusal in the Bylaws and the market stand-off (sometimes referred to as the "lock-up"), all in accordance with the applicable Notice of Nonstatutory Stock Option and related Nonstatutory Stock Option Agreement.

8. I understand that (i) the Shares have not been registered under the Securities Act and are "restricted securities" within the meaning of Rule 144 under the Securities Act, (ii) the Shares cannot be sold, transferred or otherwise disposed of unless they are subsequently registered under the Securities Act or an exemption from registration is then available; (iii) in any event, the exemption from registration under Rule 144 will not be available for at least six months or one year (depending on whether the Company is subject to the reporting obligations of the Securities Exchange Act of 1934, as amended) and even then will not be available unless applicable terms and conditions of Rule 144 are complied with; and (iv) there is now no registration statement on file with the Securities and Exchange Commission with respect to any stock of the Company and the Company has no obligation or current intention to register the Shares under the Securities Act.

(Print Participant Name)

(Signature)

Date:

Exhibit 10.4

SCYNEXIS, INC.

2014 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: February 11, 2014
APPROVED BY THE STOCKHOLDERS: February 25, 2014
EFFECTIVE DATE: February 11, 2014

1. GENERAL.

(a) Successor to and Continuation of Prior Plan.

(i) The Plan is the successor to and continuation of the Scynexis, Inc. 2009 Stock Option Plan, as amended (the "***Prior Plan***"). From and after 12:01 a.m. Eastern time on the Effective Date, no additional stock awards will be granted under the Prior Plan. All stock awards granted under the Prior Plan remain subject to the terms of the Prior Plan. All Awards granted on or after 12:01 a.m. Eastern time on the Effective Date will be granted under this Plan.

(ii) Any shares that would otherwise remain available for future grants under the Prior Plan as of 12:01 a.m. Eastern time on the Effective Date ceased to be available under the Prior Plan at such time. Instead, that number of shares of Common Stock equal to the number of shares of Common Stock of the Company then available for future grants under the Prior Plan (the "***Prior Plan's Available Reserve***") was added to the Share Reserve (as further described in Section 3(a) below) and became immediately available for grants and issuance pursuant to Stock Awards under this Plan, up to the maximum number set forth in Section 3(a) below.

(iii) From and after 12:01 a.m. Eastern time on the Effective Date, a number of shares of Common Stock equal to the total number of shares of Common Stock subject, at such time, to outstanding stock options granted under the Prior Plan that (A) expire or terminate for any reason prior to exercise or settlement; (B) are forfeited or reacquired because of the failure to meet a contingency or condition required to vest such shares or are repurchased at the original issuance price; or (C) are otherwise reacquired or are withheld (or not issued) to satisfy a tax withholding obligation in connection with an award (the "***Returning Shares***") will immediately be added to the Share Reserve (as further described in Section 3(a) below) as and when such shares become Returning Shares (up to the maximum number set forth in Section 3(a)), and become available for issuance pursuant to Stock Awards granted hereunder.

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

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

(d) Purpose. The Plan, through the granting of Awards, is intended to help the Company secure and retain the services of eligible award recipients, provide incentives for such

persons to exert maximum efforts for the success of the Company and any Affiliate, and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

2. ADMINISTRATION.

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

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

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

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Board, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement, in a manner and to the extent it will deem necessary or expedient to make the Plan or Award fully effective.

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

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

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

(vi) To amend the Plan in any respect the Board deems necessary or advisable, including, without limitation, by adopting amendments relating to Incentive Stock Options and certain nonqualified deferred compensation under Section 409A of the Code and/or bringing the Plan or Awards granted under the Plan into compliance with the requirements for Incentive Stock Options or ensuring that they are exempt from, or compliant with, the requirements for nonqualified deferred compensation under Section 409A of the Code, subject to the limitations, if any, of applicable law. If required by applicable law or listing requirements, and except as provided in Section 9(a) relating to Capitalization Adjustments, the Company will seek stockholder approval of any amendment of the Plan that (A) materially increases the number of shares of Common Stock available for issuance under the Plan, (B) materially expands the class of individuals eligible to receive Awards under the Plan, (C) materially increases the benefits accruing to Participants under the Plan, (D) materially extends the term of the Plan, or (E)

materially expands the types of Awards available for issuance under the Plan. Except as otherwise provided in the Plan or an Award Agreement, no amendment of the Plan will materially impair a Participant's rights under an outstanding Award without the Participant's written consent.

(vii) To submit any amendment to the Plan for stockholder approval, including, but not limited to, amendments to the Plan intended to satisfy the requirements of (A) Section 162(m) of the Code regarding the exclusion of performance-based compensation from the limit on corporate deductibility of compensation paid to Covered Employees, (B) Section 422 of the Code regarding "incentive stock options" or (C) Rule 16b-3.

(viii) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Board discretion; *provided, however,* that a Participant's rights under any Award will not be impaired by any such amendment unless (A) the Company requests the consent of the affected Participant, and (B) such Participant consents in writing. Notwithstanding the foregoing, (1) a Participant's rights will not be deemed to have been impaired by any such amendment if the Board, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (2) subject to the limitations of applicable law, if any, the Board may amend the terms of any one or more Awards without the affected Participant's consent (A) to maintain the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (B) to change the terms of an Incentive Stock Option, if such change results in impairment of the Award solely because it impairs the qualified status of the Award as an Incentive Stock Option under Section 422 of the Code; (C) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code; or (D) to comply with other applicable laws or listing requirements.

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

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

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

or compensatory plan of the Company; or (C) any other action that is treated as a repricing under generally accepted accounting principles.

(c) Delegation to Committee.

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

(ii) Section 162(m) and Rule 16b-3 Compliance. The Committee may consist solely of two or more Outside Directors, in accordance with Section 162(m) of the Code, or solely of two or more Non-Employee Directors, in accordance with Rule 16b-3.

(d) Delegation to an Officer. The Board may delegate to one (1) or more Officers the authority to do one or both of the following (i) designate Employees who are not Officers to be recipients of Options and SARs (and, to the extent permitted by applicable law, other Stock Awards) and, to the extent permitted by applicable law, the terms of such Awards, and (ii) determine the number of shares of Common Stock to be subject to such Stock Awards granted to such Employees; *provided, however*, that the Board resolutions regarding such delegation will specify the total number of shares of Common Stock that may be subject to the Stock Awards granted by such Officer and that such Officer may not grant a Stock Award to himself or herself. Any such Stock Awards will be granted on the form of Stock Award Agreement most recently approved for use by the Committee or the Board, unless otherwise provided in the resolutions approving the delegation authority. The Board may not delegate authority to an Officer who is acting solely in the capacity of an Officer (and not also as a Director) to determine the Fair Market Value (as defined below).

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

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve.

(i) Subject to Section 9(a) relating to Capitalization Adjustments and the "evergreen" provision in Section 3(a)(ii), the aggregate number of shares of Common Stock that may be issued pursuant to Stock Awards from and after the Effective Date (the "***Share Reserve***")

will not exceed the sum of (A) 1,312,500 new shares, (B) the shares that represented the Prior Plan's Available Reserve on the Effective Date, and (C) the Returning Shares, if any, if and when the Returning Shares ever become available for grant under the Plan.

(ii) The Share Reserve will automatically increase on January 1st of each year, for a period of not more than ten years, commencing on January 1st of the year following the year in which the Effective Date occurs and ending on (and including) January 1, 2024, in an amount equal to 4.0% of the total number of shares of Capital Stock outstanding on December 31st of the preceding calendar year. Notwithstanding the foregoing, the Board may act prior to January 1st of a given year to provide that there will be no January 1st increase in the Share Reserve for such year or that the increase in the Share Reserve for such year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(iii) For clarity, the Share Reserve is a limitation on the number of shares of Common Stock that may be issued under the Plan. As a single share may be subject to grant more than once (e.g., if a share subject to a Stock Award is forfeited, it may be made subject to grant again as provided in Section 3(b) below), the Share Reserve is not a limit on the number of Stock Awards that can be granted.

(iv) Shares may be issued in connection with a merger or acquisition as permitted by NASDAQ Listing Rule 5635(c) or, if applicable, NYSE Listed Company Manual Section 303A.08, AMEX Company Guide Section 711 or other applicable rule, and such issuance will not reduce the number of shares available for issuance under the Plan.

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

(c) Incentive Stock Option Limit. Subject to the provisions of Section 9(a) relating to Capitalization Adjustments, the aggregate maximum number of shares of Common Stock that may be issued pursuant to the exercise of Incentive Stock Options will be 18,750,000 shares of Common Stock.

(d) Limitation on Grants to Non-Employee Directors. Subject to the Share Reserve and Section 9(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock subject to Stock Awards granted to any Non-Employee Director during any

one calendar year, taken together with any cash fees paid to such Non-Employee Director during the calendar year, shall not exceed $2,000,000 in total value (calculating the value of any such Stock Awards based on the grant date fair value of such Stock Awards for financial reporting purposes and excluding, for this purpose, the value of any dividend equivalent payments paid pursuant to any Stock Award granted in a previous calendar year).

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

4. ELIGIBILITY.

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

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

5. PROVISIONS RELATING TO OPTIONS AND STOCK APPRECIATION RIGHTS.

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

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

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

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

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

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

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

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

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

(d) Exercise and Payment of a SAR. To exercise any outstanding SAR, the Participant must provide written notice of exercise to the Company in compliance with the

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

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

(i) Restrictions on Transfer. An Option or SAR will not be transferable except by will or by the laws of descent and distribution (or pursuant to subsections (ii) and (iii) below), and will be exercisable during the lifetime of the Participant only by the Participant. The Board may permit transfer of the Option or SAR in a manner that is not prohibited by applicable tax and securities laws. Except as explicitly provided in the Plan, neither an Option nor a SAR may be transferred for consideration.

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

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

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

subject to any Option or SAR provisions governing the minimum number of shares of Common Stock as to which an Option or SAR may be exercised.

(g) Termination of Continuous Service. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates (other than for Cause and other than upon the Participant's death or Disability), the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Award as of the date of termination of Continuous Service) within the period of time ending on the earlier of (i) the date which occurs three (3) months following the termination of the Participant's Continuous Service (or such longer or shorter period specified in the applicable Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR (as applicable) within the applicable time frame, the Option or SAR will terminate.

(h) Extension of Termination Date. Except as otherwise provided in the applicable Award Agreement, if the exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause and other than upon the Participant's death or Disability) would be prohibited at any time solely because the issuance of shares of Common Stock would violate the registration requirements under the Securities Act, then the Option or SAR will terminate on the earlier of (i) the expiration of a total period of three (3) months (that need not be consecutive) equal to the applicable post termination exercise period after the termination of the Participant's Continuous Service during which the exercise of the Option or SAR would not be in violation of such registration requirements, and (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement. In addition, unless otherwise provided in a Participant's applicable Award Agreement, if the sale of any Common Stock received upon exercise of an Option or SAR following the termination of the Participant's Continuous Service (other than for Cause) would violate the Company's insider trading policy, then the Option or SAR will terminate on the earlier of (i) the expiration of the period of days or months (that need not be consecutive) equal to the applicable post-termination exercise period after the termination of the Participant's Continuous Service during which the sale of the Common Stock received upon exercise of the Option or SAR would not be in violation of the Company's insider trading policy, or (ii) the expiration of the term of the Option or SAR as set forth in the applicable Award Agreement.

(i) Disability of Participant. Except as otherwise provided in the applicable Award Agreement or other agreement between the Participant and the Company, if a Participant's Continuous Service terminates as a result of the Participant's Disability, the Participant may exercise his or her Option or SAR (to the extent that the Participant was entitled to exercise such Option or SAR as of the date of termination of Continuous Service), but only within such period of time ending on the earlier of (i) the date which occurs twelve (12) months following such termination of Continuous Service (or such longer or shorter period specified in the Award Agreement), and (ii) the expiration of the term of the Option or SAR as set forth in the Award Agreement. If, after termination of Continuous Service, the Participant does not exercise his or her Option or SAR within the applicable time frame, the Option or SAR (as applicable) will terminate.

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

(k) Termination for Cause. Except as explicitly provided otherwise in a Participant's Award Agreement or other individual written agreement between the Company or any Affiliate and the Participant, if a Participant's Continuous Service is terminated for Cause, the Option or SAR will terminate immediately upon the date on which the event giving rise to the termination for Cause first occurred, and the Participant will be prohibited from exercising his or her Option or SAR from and after the date on which the event giving rise to the termination for Cause first occurred (or, if required by law, the date of termination of Continuous Service). If a Participant's Continuous Service is suspended pending an investigation of the existence of Cause, all of the Participant's rights under the Option or SAR will also be suspended during the investigation period.

(l) Non-Exempt Employees. If an Option or SAR is granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, the Option or SAR will not be first exercisable for any shares of Common Stock until at least six months following the date of grant of the Option or SAR (although the Award may vest prior to such date). Consistent with the provisions of the Worker Economic Opportunity Act, (i) if such non-exempt Employee dies or suffers a Disability, (ii) upon a Corporate Transaction in which such Option or SAR is not assumed, continued, or substituted, (iii) upon a Change in Control, or (iv) upon the Participant's retirement (as such term may be defined in the Participant's Award Agreement in another agreement between the Participant and the Company, or, if no such definition, in accordance with the Company's then current employment policies and guidelines), the vested portion of any Options and SARs may be exercised earlier than six (6) months following the date of grant. The foregoing provision is intended to operate so that any income derived by a non-exempt employee in connection with the exercise or vesting of an Option or SAR will be exempt from his or her regular rate of pay. To the extent permitted and/or required for compliance with the Worker Economic Opportunity Act to ensure that any income derived by a non-exempt employee in connection with the exercise, vesting or issuance of any shares under any other Stock Award will be exempt from the employee's regular rate of pay, the provisions of this Section 5(l) will apply to all Stock Awards and are hereby incorporated by reference into such Stock Award Agreements.

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

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

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

(ii) Vesting. Shares of Common Stock awarded under the Restricted Stock Award Agreement may be subject to forfeiture to the Company in accordance with a vesting schedule to be determined by the Board.

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

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

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

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

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

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

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

(iv) Additional Restrictions. At the time of the grant of a Restricted Stock Unit Award, the Board, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the shares of Common Stock (or their cash equivalent) subject to a Restricted Stock Unit Award to a time after the vesting of such Restricted Stock Unit Award.

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

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

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

7. COVENANTS OF THE COMPANY.

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

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

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

8. MISCELLANEOUS.

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

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

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

of the Common Stock subject to such Award has been entered into the books and records of the Company.

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

(e) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Company and any Affiliates is reduced (for example, and without limitation, if the Participant is an Employee of the Company and the Employee has a change in status from a full-time Employee to a part-time Employee or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion to (x) make a corresponding reduction in the number of shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (y) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

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

(g) Investment Assurances. The Company may require a Participant, as a condition of exercising or acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Company as to the Participant's knowledge and experience in financial and business matters and/or to employ a purchaser representative reasonably satisfactory to the Company who is knowledgeable and experienced in financial and business matters and that such Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Company stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if (A) the issuance of the shares upon the exercise or

acquisition of Common Stock under the Award has been registered under a then currently effective registration statement under the Securities Act, or (B) as to any particular requirement, a determination is made by counsel for the Company that such requirement need not be met in the circumstances under the then applicable securities laws. The Company may, upon advice of counsel to the Company, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

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

(i) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly at www.sec.gov (or any successor website thereto) or posted on the Company's intranet (or other shared electronic medium controlled by the Company to which the Participant has access).

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

(k) Compliance with Section 409A of the Code. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, in compliance with Section 409A of the Code. If the Board determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by

reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if the shares of Common Stock are publicly traded, and if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six (6) months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six (6) month period elapses, with the balance paid thereafter on the original schedule.

(l) Clawback/Recovery. All Awards granted under the Plan will be subject to recoupment in accordance with any clawback policy that the Company is required to adopt pursuant to the listing standards of any national securities exchange or association on which the Company's securities are listed or as is otherwise required by the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law. In addition, the Board may impose such other clawback, recovery or recoupment provisions in an Award Agreement as the Board determines necessary or appropriate, including but not limited to a reacquisition right in respect of previously acquired shares of Common Stock or other cash or property upon the occurrence of an event constituting Cause. No recovery of compensation under such a clawback policy will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Company or an Affiliate.

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

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

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

expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

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

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

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

(iii) accelerate the vesting, in whole or in part, of the Stock Award (and, if applicable, the time at which the Stock Award may be exercised) to a date prior to the effective time of such Corporate Transaction as the Board determines (or, if the Board does not determine such a date, to the date that is five (5) days prior to the effective date of the Corporate Transaction), with such Stock Award terminating if not exercised (if applicable) at or prior to the effective time of the Corporate Transaction;

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

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

(vi) cancel or arrange for the cancellation of the Stock Award, to the extent not vested or not exercised prior to the effective time of the Corporate Transaction, in exchange for a payment, in such form as may be determined by the Board, equal to the excess, if any, of (A) the value of the property the Participant would have received upon the exercise of the Stock Award immediately prior to the effective time of the Corporate Transaction, over (B) any exercise price payable by such holder in connection with such exercise.

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

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

10. TERMINATION OR SUSPENSION OF THE PLAN.

The Board may suspend or terminate the Plan at any time. No Awards may be granted after the tenth anniversary of the earlier of (i) the date the Plan is adopted by the Board (the "***Adoption Date***"), or (ii) the date the Plan is approved by the stockholders of the Company. No Awards may be granted under the Plan while the Plan is suspended or after it is terminated.

11. EFFECTIVE DATE OF THE PLAN; TIMING OF FIRST GRANT OR EXERCISE.

The Plan came into existence on the Adoption Date. However, no Award may be granted under the Plan prior to the IPO Date. In addition, no Stock Award may be exercised (or, in the case of a Restricted Stock Award, Restricted Stock Unit Award, or Other Stock Award, may be granted) unless and until the Plan has been approved by the stockholders of the Company, which approval will be within 12 months after the Adoption Date.

12. CHOICE OF LAW.

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

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

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

(b) "***Award***" means a Stock Award.

(c) "***Award Agreement***" means a written agreement between the Company and a Participant evidencing the terms and conditions of an Award.

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

(e) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

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

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

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

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

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

(ii) there is consummated a merger, consolidation or similar transaction involving (directly or indirectly) the Company and, immediately after the consummation of such

merger, consolidation or similar transaction, the stockholders of the Company immediately prior thereto do not Own, directly or indirectly, either (A) outstanding voting securities representing more than 50% of the combined outstanding voting power of the surviving Entity in such merger, consolidation or similar transaction or (B) more than 50% of the combined outstanding voting power of the parent of the surviving Entity in such merger, consolidation or similar transaction, in each case in substantially the same proportions as their Ownership of the outstanding voting securities of the Company immediately prior to such transaction;

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

(iv) individuals who, on the date the Plan is adopted by the Board, are members of the Board (the "***Incumbent Board***") cease for any reason to constitute at least a majority of the members of the Board; provided, however, that if the appointment or election (or nomination for election) of any new Board member was approved or recommended by a majority vote of the members of the Incumbent Board then still in office, such new member will, for purposes of this Plan, be considered as a member of the Incumbent Board.

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

If required for compliance with Section 409A of the Code, in no event will a Change in Control be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder). The Board may, in its sole discretion and without a Participant's consent, amend the definition of "Change in Control" to conform to the definition of "Change in Control" under Section 409A of the Code and the regulations and guidance thereunder.

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

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

(k) "***Common Stock***" means, as of the Effective Date, the common stock of the Company, having one vote per share.

(l) "***Company***" means Scynexis, Inc., a Delaware corporation.

(m) "***Consultant***" means any person, including an advisor, who is (i) engaged by the Company or an Affiliate to render consulting or advisory services and is compensated for such services, or (ii) serving as a member of the board of directors of an Affiliate and is compensated for such services. However, service solely as a Director, or payment of a fee for such service, will not cause a Director to be considered a "Consultant" for purposes of the Plan. Notwithstanding the foregoing, a person is treated as a Consultant under this Plan only if a Form S-8 Registration Statement under the Securities Act is available to register either the offer or the sale of the Company's securities to such person.

(n) "***Continuous Service***" means that the Participant's service with the Company or an Affiliate, whether as an Employee, Director or Consultant, is not interrupted or terminated. A change in the capacity in which the Participant renders service to the Company or an Affiliate as an Employee, Consultant or Director or a change in the entity for which the Participant renders such service, provided that there is no interruption or termination of the Participant's service with the Company or an Affiliate, will not terminate a Participant's Continuous Service; *provided, however*, that if the Entity for which a Participant is rendering services ceases to qualify as an Affiliate, as determined by the Board, in its sole discretion, such Participant's Continuous Service will be considered to have terminated on the date such Entity ceases to qualify as an Affiliate. To the extent permitted by law, the Board or the chief executive officer of the Company, in that party's sole discretion, may determine whether Continuous Service will be considered interrupted in the case of (i) any leave of absence approved by the Board or chief executive officer, including sick leave, military leave or any other personal leave, or (ii) transfers between the Company, an Affiliate, or their successors. In addition, if required for exemption from or compliance with Section 409A of the code, the determination of whether there has been a termination of Continuous Service will be made, and such term will be construed, in a manner that is consistent with the definition of "separation from service" as defined under Treasury Regulation Section 1.409A-1(h) (without regard to any alternative definition thereunder). Notwithstanding the foregoing, a leave of absence will be treated as Continuous Service for purposes of vesting in an Award only to such extent as may be provided in the Company's leave of absence policy, in the written terms of any leave of absence agreement or policy applicable to the Participant, or as otherwise required by law.

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

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

(ii) a sale or other disposition of at least 90% of the outstanding securities of the Company;

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

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

To the extent required for compliance with Section 409A of the Code, in no event will an event be deemed a Corporate Transaction if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

(p) ***"Covered Employee***" will have the meaning provided in Section 162(m)(3) of the Code.

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

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

(s) "***Effective Date***" means the IPO Date.

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

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

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

(w) "***Exchange Act Person***" means any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange Act), except that "Exchange Act Person" will not include (i) the Company or any Subsidiary of the Company, (ii) any employee benefit plan of the Company or any Subsidiary of the Company or any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any Subsidiary of the Company, (iii) an underwriter temporarily holding securities pursuant to a registered public offering of such securities, (iv) an Entity Owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their Ownership of stock of the Company; or (v) any natural person, Entity or "group" (within the meaning of Section 13(d) or 14(d) of the Exchange

Act) that, as of the Effective Date, is the Owner, directly or indirectly, of securities of the Company representing more than 50% of the combined voting power of the Company's then outstanding securities.

(x) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be, unless otherwise determined by the Board, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Board deems reliable.

(ii) Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith and in a manner that complies with Sections 409A and 422 of the Code.

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

(z) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering (the "***IPO***").

(aa) "***Non-Employee Director***" means a Director who either (i) is not a current employee or officer of the Company or an Affiliate, does not receive compensation, either directly or indirectly, from the Company or an Affiliate for services rendered as a consultant or in any capacity other than as a Director (except for an amount as to which disclosure would not be required under Item 404(a) of Regulation S-K promulgated pursuant to the Securities Act ("Regulation S-K")), does not possess an interest in any other transaction for which disclosure would be required under Item 404(a) of Regulation S-K, and is not engaged in a business relationship for which disclosure would be required pursuant to Item 404(b) of Regulation S-K; or (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

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

(cc) "***Officer***" means a person who is an officer of the Company within the meaning of Section 16 of the Exchange Act.

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

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

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

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

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

(ii) "***Outside Director***" means a Director who either (i) is not a current employee of the Company or an "affiliated corporation" (within the meaning of Treasury Regulations promulgated under Section 162(m) of the Code), is not a former employee of the Company or an "affiliated corporation" who receives compensation for prior services (other than benefits under a tax-qualified retirement plan) during the taxable year, has not been an officer of the Company or an "affiliated corporation," and does not receive remuneration from the Company or an "affiliated corporation," either directly or indirectly, in any capacity other than as a Director, or (ii) is otherwise considered an "outside director" for purposes of Section 162(m) of the Code.

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

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

(ll) "***Plan***" means this SCYNEXIS, Inc. 2014 Equity Incentive Plan, as it may be amended.

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

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

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

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

(qq) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

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

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

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

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

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

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

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

SCYNEXIS, INC.
STOCK OPTION GRANT NOTICE
(2014 EQUITY INCENTIVE PLAN)

Scynexis, Inc. (the "***Company***"), pursuant to its 2014 Equity Incentive Plan (the "***Plan***"), hereby grants to Optionholder an option to purchase the number of shares of the Company's Common Stock set forth below. This option is subject to all of the terms and conditions as set forth in this notice, in the Option Agreement, the Plan and the Notice of Exercise, all of which are attached hereto and incorporated herein in their entirety. Capitalized terms not explicitly defined herein but defined in the Plan or the Option Agreement will have the same definitions as in the Plan or the Option Agreement. If there is any conflict between the terms in this notice and the Plan, the terms of the Plan will control.

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

Type of Grant: ☐ Incentive Stock Option[2] ☐ Nonstatutory Stock Option

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

Vesting Schedule: **[**One-fourth **(**1/4th) of the shares vest one year after the Vesting Commencement Date; the balance of the shares vest in a series of thirty-six (36) successive equal monthly installments measured from the first anniversary of the Vesting Commencement Date, subject to Optionholder's Continuous Service as of each such date.]

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

☒ By cash, check, bank draft or money order payable to the Company
☒ Pursuant to a Regulation T Program if the shares are publicly traded
☒ By delivery of already-owned shares if the shares are publicly traded
☐ If and only to the extent this option is a Nonstatutory Stock Option, and subject to the Company's consent at the time of exercise, by a "net exercise" arrangement

Additional Terms/Acknowledgements: Optionholder acknowledges receipt of, and understands and agrees to, this Stock Option Grant Notice, the Option Agreement and the Plan. Optionholder acknowledges and agrees that this Stock Option Grant Notice and the Option Agreement may not be modified, amended or revised except as provided in the Plan. Optionholder further acknowledges that as of the Date of Grant, this Stock Option Grant Notice, the Option Agreement, and the Plan set forth the entire understanding between Optionholder and the Company regarding this option award and supersede all prior oral and written agreements, promises and/or representations on that subject with the exception of (i) options previously granted and delivered to Optionholder, (ii) any compensation recovery policy that is adopted by the Company or is otherwise required by applicable law and (iii) any written employment or severance arrangement that would provide for vesting acceleration of this option upon the terms and conditions set forth therein.

[2] If this is an Incentive Stock Option, it (plus other outstanding Incentive Stock Options) cannot be first *exercisable* for more than $100,000 in value (measured by exercise price) in any calendar year. Any excess over $100,000 is a Nonstatutory Stock Option.

By accepting this option, Optionholder consents to receive such documents by electronic delivery and to participate in the Plan through an online or electronic system established and maintained by the Company or another third party designated by the Company.

SCYNEXIS, INC.	**OPTIONHOLDER:**
By: _____	_____
Signature	Signature
Title: _____	Date: _____
Date: _____	

ATTACHMENTS: Option Agreement, 2014 Equity Incentive Plan and Notice of Exercise

ATTACHMENT I

OPTION AGREEMENT

SCYNEXIS, INC.
2014 EQUITY INCENTIVE PLAN

OPTION AGREEMENT
(INCENTIVE STOCK OPTION OR NONSTATUTORY STOCK OPTION)

Pursuant to your Stock Option Grant Notice ("***Grant Notice***") and this Option Agreement, Scynexis, Inc. (the "***Company***") has granted you an option under its 2014 Equity Incentive Plan (the "***Plan***") to purchase the number of shares of the Company's Common Stock indicated in your Grant Notice at the exercise price indicated in your Grant Notice. The option is granted to you effective as of the date of grant set forth in the Grant Notice (the "***Date of Grant***"). If there is any conflict between the terms in this Option Agreement and the Plan, the terms of the Plan will control. Capitalized terms not explicitly defined in this Option Agreement or in the Grant Notice but defined in the Plan will have the same definitions as in the Plan.

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

1. VESTING. Subject to the provisions contained herein, your option will vest as provided in your Grant Notice. Vesting will cease upon the termination of your Continuous Service.

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

3. EXERCISE RESTRICTION FOR NON-EXEMPT EMPLOYEES. If you are an Employee eligible for overtime compensation under the Fair Labor Standards Act of 1938, as amended (that is, a "***Non-Exempt Employee***"), and except as otherwise provided in the Plan, you may not exercise your option until you have completed at least six (6) months of Continuous Service measured from the Date of Grant, even if you have already been an employee for more than six (6) months. Consistent with the provisions of the Worker Economic Opportunity Act, you may exercise your option as to any vested portion prior to such six (6) month anniversary in the case of (i) your death or disability, (ii) a Corporate Transaction in which your option is not assumed, continued or substituted, (iii) a Change in Control or (iv) your termination of Continuous Service on your "retirement" (as defined in the Company's benefit plans).

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

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

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

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

d. if your option is an Incentive Stock Option, then, to the extent that the aggregate Fair Market Value (determined at the Date of Grant) of the shares of Common Stock with respect to which your option plus all other Incentive Stock Options you hold are exercisable for the first time by you during any calendar year (under all plans of the Company and its Affiliates) exceeds 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) will be treated as Nonstatutory Stock Options.

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

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

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

c. If this option is a Nonstatutory Stock Option, subject to the consent of the Company at the time of exercise, 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. You must pay any remaining balance of the aggregate exercise price

not satisfied by the "net exercise" in cash or other permitted form of payment. Shares of Common Stock will no longer be outstanding under your option and will not be exercisable thereafter if those shares (i) are used to pay the exercise price pursuant to the "net exercise," (ii) are delivered to you as a result of such exercise, and (iii) are withheld to satisfy your tax withholding obligations.

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

7. SECURITIES LAW COMPLIANCE. In no event may you exercise your option unless the shares of Common Stock issuable upon exercise are then registered under the Securities Act or, if not registered, the Company has determined that your exercise and the issuance of the shares would be exempt from the registration requirements of the Securities Act. The exercise of your option also must comply with all other applicable laws and regulations governing your option, and you may not exercise your option if the Company determines that such exercise would not be in material compliance with such laws and regulations (including any restrictions on exercise required for compliance with Treas. Reg. 1.401(k)-1(d)(3), if applicable).

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

a. immediately upon the date on which the event giving rise to your termination of Continuous Service for Cause occurs (or, if required by law, the date of termination of Continuous Service for Cause);

b. three (3) months after the termination of your Continuous Service for any reason other than Cause, your Disability or your death (except as otherwise provided in Section 8(d) below); *provided, however,* that if during any part of such three (3) month period your option is not exercisable solely because of the condition set forth in the section above relating to "Securities Law Compliance," your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service; *provided further,* if during any part of such three (3) month period, the sale of any Common Stock received upon exercise of your option would violate the Company's insider trading policy, then your option will not expire until the earlier of the Expiration Date or until it has been exercisable for an aggregate period of three (3) months after the termination of your Continuous Service during which the sale of the Common Stock received upon exercise of your option would not be in violation of the Company's insider trading policy. Notwithstanding the foregoing, if (i) you are a Non-Exempt Employee, (ii) your Continuous Service terminates within six (6) months after the Date of Grant, and (iii) you have vested in a portion of your option at the time of your termination of Continuous Service, your option will not expire until the earlier of (x) the later of (A) the date that is seven (7) months after the Date of Grant, and (B) the date that is three (3) months after the termination of your Continuous Service, and (y) the Expiration Date;

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

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

e. the Expiration Date indicated in your Grant Notice; or

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

If your option is an Incentive Stock Option, note that to obtain the federal income tax advantages associated with an Incentive Stock Option, the Code requires that at all times beginning on the Date of Grant and ending on the day three (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 Disability. The Company has provided for extended exercisability of your option under certain circumstances for your benefit but cannot guarantee that your option will necessarily be treated as an Incentive Stock Option if you continue to provide services to the Company or an Affiliate as a Consultant or Director after your employment terminates or if you otherwise exercise your option more than three (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 (i) delivering a Notice of Exercise (in a form designated by the Company) or completing such other documents and/or procedures designated by the Company for exercise and (ii) paying the exercise price and any applicable withholding taxes to the Company's Secretary, stock plan administrator, or such other person as the Company may designate, together with such additional documents as the Company may then require.

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

c. If your option is an Incentive Stock Option, by exercising your option you agree that you will notify the Company in writing within 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 Grant or within one (1) year after such shares of Common Stock are transferred upon exercise of your option.

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

a. Certain Trusts. Upon receiving written permission from the Board or its duly authorized designee, you may transfer your option to a trust if you are considered to be the

sole beneficial owner (determined under Section 671 of the Code and applicable state law) while the option is held in the trust. You and the trustee must enter into transfer and other agreements required by the Company.

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

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

11. OPTION NOT A SERVICE CONTRACT. Your option is not an employment or service contract, and nothing in your option will be deemed to create in any way whatsoever any obligation on your part to continue in the employ of the Company or an Affiliate, or of the Company or an Affiliate to continue your employment. In addition, nothing in your option will obligate the Company or an Affiliate, their respective stockholders, boards of directors, officers or employees to continue any relationship that you might have as a Director or Consultant for the Company or an Affiliate.

12. WITHHOLDING OBLIGATIONS.

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

b. If this option is a Nonstatutory Stock Option, then upon your request and subject to approval by the Company, and compliance with any applicable legal conditions or restrictions, the Company may withhold from fully vested shares of Common Stock otherwise issuable to you upon the exercise of your option a number of whole shares of Common Stock

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

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

13. TAX CONSEQUENCES. You hereby agree that the Company does not have a duty to design or administer the Plan or its other compensation programs in a manner that minimizes your tax liabilities. You will not make any claim against the Company, or any of its Officers, Directors, Employees or Affiliates related to tax liabilities arising from your option or your other compensation. In particular, you acknowledge that this option is exempt from Section 409A of the Code only if the exercise price per share specified in the Grant Notice is at least equal to the "fair market value" per share of the Common Stock on the Date of Grant and there is no other impermissible deferral of compensation associated with the option.

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

15. GOVERNING PLAN DOCUMENT. Your option is subject to all the provisions of the Plan, the provisions of which are hereby made a part of your option, and is further subject to all interpretations, amendments, rules and regulations, which may from time to time be promulgated and adopted pursuant to the Plan. If there is any conflict between the provisions of your option and those of the Plan, the provisions of the Plan will control. In addition, your option (and any compensation paid or shares issued under your option) is subject to recoupment in accordance

with The Dodd–Frank Wall Street Reform and Consumer Protection Act and any implementing regulations thereunder, any clawback policy adopted by the Company and any compensation recovery policy otherwise required by applicable law.

16. OTHER DOCUMENTS. You hereby acknowledge receipt of and the right to receive a document providing the information required by Rule 428(b)(1) promulgated under the Securities Act, which includes the Plan prospectus. In addition, you acknowledge receipt of the Company's policy permitting certain individuals to sell shares only during certain "window" periods and the Company's insider trading policy, in effect from time to time.

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

18. VOTING RIGHTS. You will not have voting or any other rights as a stockholder of the Company with respect to the shares to be issued pursuant to this option until such shares are issued to you. Upon such issuance, you will obtain full voting and other rights as a stockholder of the Company. Nothing contained in this option, and no action taken pursuant to its provisions, will create or be construed to create a trust of any kind or a fiduciary relationship between you and the Company or any other person.

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

20. MISCELLANEOUS.

a. The rights and obligations of the Company under your option will be transferable to any one or more persons or entities, and all covenants and agreements hereunder will inure to the benefit of, and be enforceable by the Company's successors and assigns.

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

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

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

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

* * *

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

ATTACHMENT II

2014 EQUITY INCENTIVE PLAN

ATTACHMENT III

NOTICE OF EXERCISE

NOTICE OF EXERCISE

Scynexis, Inc.
Attention: [Stock Plan Administrator]
3501 Tricenter Blvd
Durham, NC 27713

Date of Exercise:

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

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

By this exercise, I agree (i) to provide such additional documents as you may require pursuant to the terms of the Scynexis, Inc. 2014 Equity Incentive Plan, (ii) to provide for the payment by me to you (in the manner designated by you) of your withholding obligation, if any, relating to the exercise of this option, and (iii) if this exercise relates to an Incentive Stock Option, to notify you in writing within fifteen (15) days after the date of any disposition of any of the Shares issued upon exercise of this option that occurs within two (2) years after the date of grant of this option or within one (1) year after such Shares are issued upon exercise of this option.

[Signature Follows]

Very truly yours,

Signature

Print Name

2.

Exhibit 10.5

SCYNEXIS, INC.

2014 EMPLOYEE STOCK PURCHASE PLAN
ADOPTED BY THE BOARD OF DIRECTORS: February 11, 2014
APPROVED BY THE STOCKHOLDERS: February 25, 2014

1. GENERAL; PURPOSE.

(a) The Plan provides a means by which Eligible Employees of the Company and certain designated Related Corporations may be given an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan.

(b) The Company, by means of the Plan, seeks to retain the services of such Employees, to secure and retain the services of new Employees and to provide incentives for such persons to exert maximum efforts for the success of the Company and its Related Corporations.

2. ADMINISTRATION.

(a) The Board will administer the Plan unless and until the Board delegates administration of the Plan to a Committee or Committees, as provided in Section 2(c).

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

(i) To determine how and when Purchase Rights will be granted and the provisions of each Offering (which need not be identical).

(ii) To designate from time to time which Related Corporations of the Company will be eligible to participate in the Plan.

(iii) To construe and interpret the Plan and Purchase Rights, and to establish, amend and revoke rules and regulations for its administration. The Board, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it deems necessary or expedient to make the Plan fully effective.

(iv) To settle all controversies regarding the Plan and Purchase Rights granted under the Plan.

(v) To suspend or terminate the Plan at any time as provided in Section 12.

(vi) To amend the Plan at any time as provided in Section 12.

(vii) Generally, to exercise such powers and to perform such acts as it deems necessary or expedient to promote the best interests of the Company and its Related Corporations and to carry out the intent that the Plan be treated as an Employee Stock Purchase Plan.

(viii) To adopt such procedures and sub-plans as are necessary or appropriate to permit participation in the Plan by Employees who are foreign nationals or employed outside the United States.

(c) The Board may delegate some or all of the administration of the Plan to a Committee or Committees. If administration is delegated to a Committee, the Committee will have, in connection with the administration of the Plan, the powers theretofore possessed by the Board that have been delegated to the Committee, including the power to delegate to a subcommittee any of the administrative powers the Committee is authorized to exercise (and references in this Plan to the Board will thereafter be to the Committee or subcommittee), subject, however, to such resolutions, not inconsistent with the provisions of the Plan, as may be adopted from time to time by the Board. The Board may retain the authority to concurrently administer the Plan with the Committee and may, at any time, revest in the Board some or all of the powers previously delegated. Whether or not the Board has delegated administration of the Plan to a Committee, the Board will have the final power to determine all questions of policy and expediency that may arise in the administration of the Plan.

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

3. SHARES OF COMMON STOCK SUBJECT TO THE PLAN.

(a) Subject to the provisions of Section 11(a) relating to Capitalization Adjustments, the maximum number of shares of Common Stock that may be issued under the Plan will not exceed 243,750 shares of Common Stock, plus the number of shares of Common Stock that are automatically added on January 1 of each year for a period of up to ten years, commencing on the first January 1 following the IPO Date and ending on (and including) January 1, 2024, in an amount equal to the lesser of (i) 0.8% of the total number of shares of Capital Stock outstanding on December 31 of the preceding fiscal year, and (ii) 150,000 shares of Common Stock. Notwithstanding the foregoing, the Board may act prior to the first day of any fiscal year to provide that there will be no January 1 increase in the share reserve for such fiscal year or that the increase in the share reserve for such fiscal year will be a lesser number of shares of Common Stock than would otherwise occur pursuant to the preceding sentence.

(b) If any Purchase Right granted under the Plan terminates without having been exercised in full, the shares of Common Stock not purchased under such Purchase Right will again become available for issuance under the Plan.

(c) The stock purchasable under the Plan will be shares of authorized but unissued or reacquired Common Stock, including shares repurchased by the Company on the open market.

4. GRANT OF PURCHASE RIGHTS; OFFERING.

(a) The Board may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Board. Each Offering will be in such form and will contain such terms and conditions as the Board will deem appropriate, and will comply with the requirement of Section 423(b)(5) of the Code that all Employees granted Purchase Rights will have the same rights and privileges. The terms and conditions of an Offering shall be incorporated by reference into the Plan and treated as part of the Plan. The provisions of separate Offerings need not be identical, but each Offering will include (through incorporation of the provisions of this Plan by reference in the document comprising the Offering or otherwise) the period during which the Offering will be effective, which period will not exceed 27 months beginning with the Offering Date, and the substance of the provisions contained in Sections 5 through 8, inclusive.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless he or she otherwise indicates in forms delivered to the Company: (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower exercise price (or an earlier-granted Purchase Right, if different Purchase Rights have identical exercise prices) will be exercised to the fullest possible extent before a Purchase Right with a higher exercise price (or a later-granted Purchase Right if different Purchase Rights have identical exercise prices) will be exercised.

(c) The Board will have the discretion to structure an Offering so that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering, then (i) that Offering will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering will be automatically enrolled in a new Offering beginning on the first Trading Day of such new Purchase Period.

5. ELIGIBILITY.

(a) Purchase Rights may be granted only to Employees of the Company or, as the Board may designate in accordance with Section 2(b), to Employees of a Related Corporation. Except as provided in Section 5(b), an Employee will not be eligible to be granted Purchase Rights unless, on the Offering Date, the Employee has been in the employ of the Company or the Related Corporation, as the case may be, for such continuous period preceding such Offering Date as the Board may require, but in no event will the required period of continuous employment be equal to or greater than two years. In addition, the Board may provide that no Employee will be eligible to be granted Purchase Rights under the Plan unless, on the Offering Date, such Employee's customary employment with the Company or the Related Corporation is more than 20 hours per week and more than five months per calendar year or such other criteria as the Board may determine consistent with Section 423 of the Code.

(b) The Board may provide that each person who, during the course of an Offering, first becomes an Eligible Employee will, on a date or dates specified in the Offering which

coincides with the day on which such person becomes an Eligible Employee or which occurs thereafter, receive a Purchase Right under that Offering, which Purchase Right will thereafter be deemed to be a part of that Offering. Such Purchase Right will have the same characteristics as any Purchase Rights originally granted under that Offering, as described herein, except that:

(i) the date on which such Purchase Right is granted will be the "Offering Date" of such Purchase Right for all purposes, including determination of the exercise price of such Purchase Right;

(ii) the period of the Offering with respect to such Purchase Right will begin on its Offering Date and end coincident with the end of such Offering; and

(iii) the Board may provide that if such person first becomes an Eligible Employee within a specified period of time before the end of the Offering, he or she will not receive any Purchase Right under that Offering.

(c) No Employee will be eligible for the grant of any Purchase Rights if, immediately after any such Purchase Rights are granted, such Employee owns stock possessing five percent or more of the total combined voting power or value of all classes of stock of the Company or of any Related Corporation. For purposes of this Section 5(c), the rules of Section 424(d) of the Code will apply in determining the stock ownership of any Employee, and stock which such Employee may purchase under all outstanding Purchase Rights and options will be treated as stock owned by such Employee.

(d) As specified by Section 423(b)(8) of the Code, an Eligible Employee may be granted Purchase Rights only if such Purchase Rights, together with any other rights granted under all Employee Stock Purchase Plans of the Company and any Related Corporations, do not permit such Eligible Employee's rights to purchase stock of the Company or any Related Corporation to accrue at a rate which exceeds $25,000 of Fair Market Value of such stock (determined at the time such rights are granted, and which, with respect to the Plan, will be determined as of their respective Offering Dates) for each calendar year in which such rights are outstanding at any time.

(e) Officers of the Company and any designated Related Corporation, if they are otherwise Eligible Employees, will be eligible to participate in Offerings under the Plan. Notwithstanding the foregoing, the Board may provide in an Offering that Employees who are highly compensated Employees within the meaning of Section 423(b)(4)(D) of the Code will not be eligible to participate.

6. PURCHASE RIGHTS; PURCHASE PRICE.

(a) On each Offering Date, each Eligible Employee, pursuant to an Offering made under the Plan, will be granted a Purchase Right to purchase up to that number of shares of Common Stock purchasable either with a percentage or with a maximum dollar amount, as designated by the Board, but in either case not exceeding 15% of such Employee's earnings (as defined by the Board in each Offering) during the period that begins on the Offering Date (or

such later date as the Board determines for a particular Offering) and ends on the date stated in the Offering, which date will be no later than the end of the Offering.

(b) The Board will establish one or more Purchase Dates during an Offering on which Purchase Rights granted for that Offering will be exercised and shares of Common Stock will be purchased in accordance with such Offering.

(c) In connection with each Offering made under the Plan, the Board may specify (i) a maximum number of shares of Common Stock that may be purchased by any Participant on any Purchase Date during such Offering, (ii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants pursuant to such Offering and/or (iii) a maximum aggregate number of shares of Common Stock that may be purchased by all Participants on any Purchase Date under the Offering. If the aggregate purchase of shares of Common Stock issuable upon exercise of Purchase Rights granted under the Offering would exceed any such maximum aggregate number, then, in the absence of any Board action otherwise, a pro rata (based on each Participant's accumulated Contributions) allocation of the shares of Common Stock available will be made in as nearly a uniform manner as will be practicable and equitable.

(d) The purchase price of shares of Common Stock acquired pursuant to Purchase Rights will be not less than the lesser of:

(i) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the Offering Date; or

(ii) an amount equal to 85% of the Fair Market Value of the shares of Common Stock on the applicable Purchase Date.

7. PARTICIPATION; WITHDRAWAL; TERMINATION.

(a) An Eligible Employee may elect to authorize payroll deductions as the means of making Contributions by completing and delivering to the Company, within the time specified in the Offering, an enrollment form provided by the Company. The enrollment form will specify the amount of Contributions not to exceed the maximum amount specified by the Board. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where applicable law requires that Contributions be deposited with a third party. If permitted in the Offering, a Participant may begin such Contributions with the first payroll occurring on or after the Offering Date (or, in the case of a payroll date that occurs after the end of the prior Offering but before the Offering Date of the next new Offering, Contributions from such payroll will be included in the new Offering). If permitted in the Offering, a Participant may thereafter reduce (including to zero) or increase his or her Contributions. If specifically provided in the Offering, in addition to making Contributions by payroll deductions, a Participant may make Contributions through the payment by cash or check prior to a Purchase Date.

(b) During an Offering, a Participant may cease making Contributions and withdraw from the Offering by delivering to the Company a withdrawal form provided by the Company. The Company may impose a deadline before a Purchase Date for withdrawing. Upon such withdrawal, such Participant's Purchase Right in that Offering will immediately terminate and the Company will distribute to such Participant all of his or her accumulated but unused Contributions and such Participant's Purchase Right in that Offering shall thereupon terminate. A Participant's withdrawal from that Offering will have no effect upon his or her eligibility to participate in any other Offerings under the Plan, but such Participant will be required to deliver a new enrollment form to participate in subsequent Offerings.

(c) Purchase Rights granted pursuant to any Offering under the Plan will terminate immediately if the Participant either (i) is no longer an Employee for any reason or for no reason (subject to any post-employment participation period required by law) or (ii) is otherwise no longer eligible to participate. The Company will distribute to such individual all of his or her accumulated but unused Contributions.

(d) During a Participant's lifetime, Purchase Rights will be exercisable only by such Participant. Purchase Rights are not transferable by a Participant, except by will, by the laws of descent and distribution, or, if permitted by the Company, by a beneficiary designation as described in Section 10.

(e) Unless otherwise specified in the Offering, the Company will have no obligation to pay interest on Contributions.

8. EXERCISE OF PURCHASE RIGHTS.

(a) On each Purchase Date, each Participant's accumulated Contributions will be applied to the purchase of shares of Common Stock, up to the maximum number of shares of Common Stock permitted by the Plan and the applicable Offering, at the purchase price specified in the Offering. No fractional shares will be issued unless specifically provided for in the Offering.

(b) If any amount of accumulated Contributions remains in a Participant's account after the purchase of shares of Common Stock and such remaining amount is less than the amount required to purchase one share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will be held in such Participant's account for the purchase of shares of Common Stock under the next Offering under the Plan, unless such Participant withdraws from or is not eligible to participate in such Offering, in which case such amount will be distributed to such Participant after the final Purchase Date, without interest. If the amount of Contributions remaining in a Participant's account after the purchase of shares of Common Stock is at least equal to the amount required to purchase one whole share of Common Stock on the final Purchase Date of an Offering, then such remaining amount will not roll over to the next Offering and will instead be distributed in full to such Participant after the final Purchase Date of such Offering without interest.

(c) No Purchase Rights may be exercised to any extent unless the shares of Common Stock to be issued upon such exercise under the Plan are covered by an effective registration statement pursuant to the Securities Act and the Plan is in material compliance with all applicable federal, state, foreign and other securities and other laws applicable to the Plan. If on a Purchase Date the shares of Common Stock are not so registered or the Plan is not in such compliance, no Purchase Rights will be exercised on such Purchase Date, and the Purchase Date will be delayed until the shares of Common Stock are subject to such an effective registration statement and the Plan is in material compliance, except that the Purchase Date will in no event be more than 6 months from the Offering Date. If, on the Purchase Date, as delayed to the maximum extent permissible, the shares of Common Stock are not registered and the Plan is not in material compliance with all applicable laws, no Purchase Rights will be exercised and all accumulated but unused Contributions will be distributed to the Participants without interest.

9. COVENANTS OF THE COMPANY.

The Company will seek to obtain from each federal, state, foreign or other regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Purchase Rights and issue and sell shares of Common Stock thereunder. If, after commercially reasonable efforts, the Company is unable to obtain the authority that counsel for the Company deems necessary for the grant of Purchase Rights or the lawful issuance and sale of Common Stock under the Plan, and at a commercially reasonable cost, the Company will be relieved from any liability for failure to grant Purchase Rights and/or to issue and sell Common Stock upon exercise of such Purchase Rights.

10. DESIGNATION OF BENEFICIARY.

(a) The Company may, but is not obligated to, permit a Participant to submit a form designating a beneficiary who will receive any shares of Common Stock and/or Contributions from the Participant's account under the Plan if the Participant dies before such shares and/or Contributions are delivered to the Participant. The Company may, but is not obligated to, permit the Participant to change such designation of beneficiary. Any such designation and/or change must be on a form approved by the Company.

(b) If a Participant dies, in the absence of a valid beneficiary designation, the Company will deliver any shares of Common Stock and/or Contributions to the executor or administrator of the estate of the Participant. If, to the knowledge of the Company, no executor or administrator has been appointed, the Company, in its sole discretion, may deliver such shares of Common Stock and/or Contributions to the Participant's spouse, dependents or relatives, or if no spouse, dependent or relative is known to the Company, then to such other person as the Company may designate.

11. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; CORPORATE TRANSACTIONS.

(a) In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust: (i) the class(es) and maximum number of securities subject to the Plan pursuant to Section 3(a), (ii) the class(es) and maximum number of securities by which the share

reserve is to increase automatically each year pursuant to Section 3(a), (iii) the class(es) and number of securities subject to, and the purchase price applicable to outstanding Offerings and Purchase Rights, and (iv) the class(es) and number of securities that are the subject of the purchase limits under each ongoing Offering. The Board will make these adjustments, and its determination will be final, binding and conclusive.

(b) In the event of a Corporate Transaction, then: (i) any surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent company) may assume or continue outstanding Purchase Rights or may substitute similar rights (including a right to acquire the same consideration paid to the stockholders in the Corporate Transaction) for outstanding Purchase Rights, or (ii) if any surviving or acquiring corporation (or its parent company) does not assume or continue such Purchase Rights or does not substitute similar rights for such Purchase Rights, then the Participants' accumulated Contributions will be used to purchase shares of Common Stock within ten business days prior to the Corporate Transaction under the outstanding Purchase Rights, and the Purchase Rights will terminate immediately after such purchase.

12. AMENDMENT, TERMINATION OR SUSPENSION OF THE PLAN.

(a) The Board may amend the Plan at any time in any respect the Board deems necessary or advisable. However, except as provided in Section 11(a) relating to Capitalization Adjustments, stockholder approval will be required for any amendment of the Plan for which stockholder approval is required by applicable law or listing requirements, including any amendment that either (i) materially increases the number of shares of Common Stock available for issuance under the Plan, (ii) materially expands the class of individuals eligible to become Participants and receive Purchase Rights, (iii) materially increases the benefits accruing to Participants under the Plan or materially reduces the price at which shares of Common Stock may be purchased under the Plan, (iv) materially extends the term of the Plan, or (v) expands the types of awards available for issuance under the Plan, but in each of (i) through (v) above only to the extent stockholder approval is required by applicable law or listing requirements.

(b) The Board may suspend or terminate the Plan at any time. No Purchase Rights may be granted under the Plan while the Plan is suspended or after it is terminated.

(c) Any benefits, privileges, entitlements and obligations under any outstanding Purchase Rights granted before an amendment, suspension or termination of the Plan will not be materially impaired by any such amendment, suspension or termination except (i) with the consent of the person to whom such Purchase Rights were granted, (ii) as necessary to comply with any laws, listing requirements, or governmental regulations (including, without limitation, the provisions of Section 423 of the Code and the regulations and other interpretive guidance issued thereunder relating to Employee Stock Purchase Plans) including without limitation any such regulations or other guidance that may be issued or amended after the date the Plan is adopted by the Board, or (iii) as necessary to obtain or maintain favorable tax, listing, or regulatory treatment. To be clear, the Board may amend outstanding Purchase Rights without a Participant's consent if such amendment is necessary to ensure that the Purchase Right and/or the Plan complies with the requirements of Section 423 of the Code.

13. EFFECTIVE DATE OF PLAN.

The Plan will become effective immediately prior to and contingent upon the IPO Date. No Purchase Rights will be exercised unless and until the Plan has been approved by the stockholders of the Company, which approval must be within 12 months before or after the date the Plan is adopted (or if required under Section 12(a) above, materially amended) by the Board.

14. MISCELLANEOUS PROVISIONS.

(a) Proceeds from the sale of shares of Common Stock pursuant to Purchase Rights will constitute general funds of the Company.

(b) A Participant will not be deemed to be the holder of, or to have any of the rights of a holder with respect to, shares of Common Stock subject to Purchase Rights unless and until the Participant's shares of Common Stock acquired upon exercise of Purchase Rights are recorded in the books of the Company (or its transfer agent).

(c) The Plan and Offering do not constitute an employment contract. Nothing in the Plan or in the Offering will in any way alter the at will nature of a Participant's employment or be deemed to create in any way whatsoever any obligation on the part of any Participant to continue in the employ of the Company or a Related Corporation, or on the part of the Company or a Related Corporation to continue the employment of a Participant.

(d) The provisions of the Plan will be governed by the laws of the State of California without resort to that state's conflicts of laws rules.

15. DEFINITIONS.

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

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

(b) "***Capital Stock***" means each and every class of common stock of the Company, regardless of the number of votes per share.

(c) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Company will not be treated as a Capitalization Adjustment.

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

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

(f) "***Common Stock***" means, as of the IPO Date, the common stock of the Company, having 1 vote per share.

(g) "***Company***" means SCYNEXIS, Inc., a Delaware corporation.

(h) ***"Contributions***" means the payroll deductions and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions.

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

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

(ii) a sale or other disposition of at least 90% of the outstanding securities of the Company;

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

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

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

(k) "***Eligible Employee***" means an Employee who meets the requirements set forth in the document(s) governing the Offering for eligibility to participate in the Offering, provided that such Employee also meets the requirements for eligibility to participate set forth in the Plan.

(l) "***Employee***" means any person, including an Officer or Director, who is "employed" for purposes of Section 423(b)(4) of the Code by the Company or a Related Corporation. However, service solely as a Director, or payment of a fee for such services, will not cause a Director to be considered an "Employee" for purposes of the Plan.

(m) "***Employee Stock Purchase Plan***" means a plan that grants Purchase Rights intended to be options issued under an "employee stock purchase plan," as that term is defined in Section 423(b) of the Code.

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

(o) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a share of Common Stock will be the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in such source as the Board deems reliable. Unless otherwise provided by the Board, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing sales price on the last preceding date for which such quotation exists.

(ii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Board in good faith in compliance with applicable laws and in a manner that complies with Sections 409A of the Code.

(iii) Notwithstanding the foregoing, for any Offering that commences on the IPO Date, the Fair Market Value of the shares of Common Stock on the Offering Date will be the price per share at which shares are first sold to the public in the Company's initial public offering as specified in the final prospectus for that initial public offering.

(p) "***IPO Date***" means the date of the underwriting agreement between the Company and the underwriter(s) managing the initial public offering of the Common Stock, pursuant to which the Common Stock is priced for the initial public offering.

(q) "***Offering***" means the grant to Eligible Employees of Purchase Rights, with the exercise of those Purchase Rights automatically occurring at the end of one or more Purchase Periods. The terms and conditions of an Offering will generally be set forth in the "***Offering Document***" approved by the Board for that Offering.

(r) "***Offering Date***" means a date selected by the Board for an Offering to commence.

(s) "***Officer***" means a person who is an officer of the Company or a Related Corporation within the meaning of Section 16 of the Exchange Act.

(t) "***Participant***" means an Eligible Employee who holds an outstanding Purchase Right.

(u) "***Plan***" means this SCYNEXIS, Inc. 2014 Employee Stock Purchase Plan.

(v) "***Purchase Date***" means one or more dates during an Offering selected by the Board on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with such Offering.

(w) "***Purchase Period***" means a period of time specified within an Offering, generally beginning on the Offering Date or on the first Trading Day following a Purchase Date, and ending on a Purchase Date. An Offering may consist of one or more Purchase Periods.

(x) "***Purchase Right***" means an option to purchase shares of Common Stock granted pursuant to the Plan.

(y) "***Related Corporation***" means any "parent corporation" or "subsidiary corporation" of the Company whether now or subsequently established, as those terms are defined in Sections 424(e) and (f), respectively, of the Code.

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

(aa) "***Trading Day***" means any day on which the exchange(s) or market(s) on which shares of Common Stock are listed, including but not limited to the NYSE, Nasdaq Global Select Market, the Nasdaq Global Market, the Nasdaq Capital Market or any successors thereto, is open for trading.

Exhibit 10.6

SCYNEXIS, Inc.

Description of Non-Employee Directors Compensation Program

Following the closing of this offering, we intend to compensate our non-employee directors with a combination of cash and equity. Each non-employee director will receive an annual base cash retainer of $30,000 for such service, to be paid quarterly. In addition, the chairman of our board of directors will receive an additional annual base cash retainer of $15,000, to be paid quarterly.

In addition, we intend to compensate the members of our board of directors for service on our committees as follows:

- The chairperson of our audit committee will receive an annual cash retainer of $10,000 for this service, paid quarterly, and each of the other members of the audit committee will receive an annual cash retainer of $6,500, paid quarterly.
- The chairperson of our compensation committee will receive an annual cash retainer of $7,500 for this service, paid quarterly, and each of the other members of the compensation committee will receive an annual cash retainer of $5,000, paid quarterly.
- The chairperson of our nominating and corporate governance committee will receive an annual cash retainer of $4,500 for this service, paid quarterly, and each of the other members of the nominating and corporate governance committee will receive an annual cash retainer of $3,000, paid quarterly.

Further, after the closing of this offering, each year on or promptly following the date of our annual meeting of stockholders, each non-employee director will be granted an option to purchase 7,500 shares of our common stock, and our chairman will be granted an additional option to purchase 3,750 shares of our common stock. If a new board member joins our board of directors after the closing of this offering, the director will be granted an initial option to purchase 16,250 shares of our common stock, and if a new chairman joins our board of directors after the closing of this offering, the chairman will be granted an initial option to purchase 24,375 shares of our common stock. Annual option grants and initial option grants to new board members will have an exercise price per share equal to the fair market value of a share of our common stock on the date of grant and will vest in full on the earlier of our next annual meeting of stockholders to occur in the year following the date of grant and the one year anniversary of the date of grant; provided, that the non-employee director is providing continuous services on the applicable vesting date.

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.10

DEVELOPMENT, LICENSE AND SUPPLY AGREEMENT

BETWEEN

R-PHARM, CJSC

AND

SCYNEXIS, INC.

DATED AS OF

August 1st, 2013

СОГЛАШЕНИЕ О РАЗРАБОТКЕ, ЛИЦЕНЗИРОВАНИИ И ПОСТАВКАХ

МЕЖДУ

ЗАО «Р-ФАРМ»

И

«САЙНЕКСИС, ИНК.»

ОТ

01 Августа 2013 г.

DEVELOPMENT, LICENSE AND SUPPLY AGREEMENT

THIS DEVELOPMENT, LICENSE AND SUPPLY AGREEMENT (this "Agreement"), dated as of August 1st, 2013, is entered into by and between R-Pharm, CJSC, a corporation organized and existing under the laws of the Russian Federation, having offices located at 12 Bld. 1, Nagorny Proezd, Moscow, Russian Federation ("R-Pharm"), and Scynexis, Inc., a corporation organized and existing under the laws of the State of Delaware, having offices located at 3501C Tricenter Boulevard, Durham North Carolina, USA 27713 ("Scynexis").

СОГЛАШЕНИЕ О РАЗРАБОТКЕ, ЛИЦЕНЗИРОВАНИИ И ПОСТАВКАХ

НАСТОЯЩЕЕ СОГЛАШЕНИЕ О РАЗРАБОТКЕ, ЛИЦЕНЗИРОВАНИИ И ПОСТАВКАХ (настоящее «Соглашение») от 1 августа 2013 г. заключено следующими лицами и между ними: ЗАО «Р-Фарм», корпорацией, организованной и существующей по законам Российской Федерации, с офисами, расположенными по адресу: Российская Федерация, Москва, Нагорный проезд 12, стр. 1 («Р-Фарм»), и «Сайнексис, Инк.», корпорацией, организованной и существующей по законам Штата Делавэр, с офисами, расположенными по адресу: 3501C Трисентер Бульвар, Дурхам, Северная Каролина, США 27713 («Сайнексис»).

PRELIMINARY STATEMENTS

A. Scynexis owns, and/or has exclusive rights to, the Patents and Scynexis Know-how in existence as of the Effective Date relating to the Compound.

B. R-Pharm has the personnel, facilities and expertise necessary to contribute to certain aspects of the global development of the Product, to commercialize the Product in the Territory and to manufacture Product using Compound supplied by Scynexis.

C. R-Pharm wishes to conduct certain global development activities, to

ПРЕДВАРИТЕЛЬНЫЕ ЗАЯВЛЕНИЯ

A. Компания «Сайнексис» владеет Патентами и Ноу-хау Сайнексис, существующими на Дату вступления в силу в отношении Соединения, и/или обладает исключительными правами на них.

B. У компании «Р-Фарм» имеются сотрудники, средства производства и профессиональные навыки, необходимые для содействия определенным аспектам глобальной разработки Продукта, коммерческой реализации Продукта на Территории и производства Продукта при помощи Соединения, поставляемого компанией «Сайнексис».

C. Компания «Р-Фарм» желает осуществлять определенные действия по

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

commercialize the Product in the Territory, and to manufacture the Product; Scynexis wishes to have R-Pharm do so, upon the terms and conditions set forth in this Agreement. In connection therewith, R-Pharm desires to obtain, and Scynexis desires to grant to R-Pharm, certain license rights under the Licensed Technology with respect to the commercialization of the Product in the Territory for applications in the Field, subject to Scynexis' right to supply Compound for R-Pharm, all on the terms and conditions set forth below.

глобальной разработке, коммерческую реализацию Продукта на Территории и производство Продукта; компания «Сайнексис» желает, чтобы «Р-Фарм» осуществляла указанные действия, на условиях, изложенных в настоящем Соглашении. В связи с этим «Р-Фарм» желает получить, а «Сайнексис» желает предоставить компании «Р-Фарм» определенные лицензионные права на Лицензированную технологию для коммерческой реализации Продукта на Территории по заявкам в Сфере применения, при соблюдении права «Сайнексис» на поставку Соединения компании «Р-Фарм», на изложенных ниже условиях.

NOW, THEREFORE, in consideration of the foregoing Preliminary Statements and the mutual agreements and covenants set forth herein, the Parties hereby agree as follows:

В НАСТОЯЩЕЕ ВРЕМЯ, ТАКИМ ОБРАЗОМ, с учетом вышеизложенных Предварительных заявлений, а также взаимных договоренностей и условий, изложенных в настоящем документе, Стороны настоящим договариваются о следующем:

1. **DEFINITIONS**

As used in this Agreement, the following terms shall have the meanings set forth in this Section 1 unless context dictates otherwise:

1. **ОПРЕДЕЛЕНИЯ.**

При использовании в настоящем Соглашении следующие термины имеют значения, изложенные в настоящей Статье 1, если контекст не требует иного:

1.1 "ACAB Laws" all anti-bribery and anti-corruption legislation applicable in the United States and the Territory.

1.1 *«Законы о борьбе с коррупцией»* – все законодательные акты о борьбе с коррупцией и взяточничеством, применимые в Соединенных Штатах Америки и на Территории.

1.2 "Affiliate" with respect to any Party, shall mean any entity controlling, controlled by, or under common control with, such Party. For these purposes, "control" shall refer to: (i) the possession, directly or indirectly, of the power to direct the management or policies of

1.2 *«Аффилированное лицо»* в отношении любой Стороны означает любое юридическое лицо, которое контролирует данную Сторону, контролируется данной Стороной или находится с ней под общим контролем. В указанных целях «контроль» означает: (i) обладание, прямое или косвенное,

an entity, whether through the ownership of voting securities, by contract or otherwise, or (ii) the ownership, directly or indirectly, of at least 50% of the voting securities or other ownership interest of an entity.

возможностью управлять руководством или политикой юридического лица, посредством владения ценными бумагами с правом голоса, по договору или иначе, или (ii) владение, прямое или косвенное, как минимум 50% от ценных бумаг с правом голоса или иных долей участия в капитале юридического лица.

1.3 *"Agent"* shall mean the third party, excluding subcontractors, acting on behalf of "R-Pharm" or "Scynexis".

1.3. *«Агент»* означает третье лицо, за исключением субподрядчиков, действующее от имени «Р-Фарм» или «Скайнексис».

1.4 *"cGMP"* shall mean the then-current good manufacturing practices required by the applicable regulatory authority, for the manufacture and testing of pharmaceutical materials, as they may be updated from time to time. GMPs shall include applicable quality guidelines promulgated under the International Conference on Harmonization and the World Health Organization (WHO) GMP guidelines.

1.4 *«cGMP»* – действующие на текущий момент времени надлежащие производственные практики, установленные требованиями применимого регулирующего органа в отношении производства и испытания фармацевтических материалов, в действующей на текущий момент времени редакции. GMP включают применимые руководства по качеству, опубликованные на Международной конференции по гармонизации и в руководствах GMP Международной организацией здравоохранения (ВОЗ).

1.5 *"Combination Product"* means either: (a) any pharmaceutical product containing Compound and at least one other active ingredient that is not the Compound; or (b) any combination of the Compound and another pharmaceutical product that contains at least one other active ingredient that is not the Compound where such products are not formulated together but are sold together as a single product and invoiced as one product. All references to Product in this Agreement shall be deemed to include Combination Product.

1.5 *«Комбинированный продукт»* означает либо: (a) любой фармацевтический продукт, содержащий Соединение и как минимум один иной активный ингредиент, не являющийся Соединением; либо (b) любое сочетание Соединения и иного фармацевтического продукта, содержащего как минимум один иной активный ингредиент, не являющийся Соединением, если указанные продукты не входят в общую смесь, но продаются вместе как один продукт и вносятся в счет как один продукт. Все ссылки на Продукт в настоящем Соглашении считаются включающими в себя Комбинированный продукт.

1.6 *"Compound"* shall mean the chemical compound designated as SCY-078, which is [*]

1.6 *«Соединение»* означает химическое соединение, обозначаемое как SCY-078 и представляющее собой [*].

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

1.7 *"Confidential Information"* shall have the meaning assigned to such term in Section 10.4.

1.8 *"Effective Date"* shall mean the date of this Agreement, indicated in the first page of this Agreement.

1.9 *"Field"* shall mean the treatment and prevention of diseases, infections or other disorders in humans.

1.10 *"First Commercial Sale"* shall mean, with respect to Product, the first sale for end use or consumption of such Product in a country of the Territory after all required approvals, including marketing and pricing approvals, have been granted by the governing health authority of such country.

1.11 "*Fixed-dose combination*" (FDC) is a formulation, oral or parenteral, which includes two or more active pharmaceutical ingredients (APIs), one of which is a Compound, combined in a single dosage form, which is manufactured and commercialized in respective fixed dose forms.

Fixed-dose combinations (FDC) are to be treated as individual products and shall not be deemed as Combination Product.

1.12 *"Global Development Plan"* shall mean the global clinical development plan with respect to the Product designed for the

1.7 *«Конфиденциальная информация»* имеет значение, приписанное данному термину в Пункте 10.4.

1.8 *«Дата вступления в силу»* означает дату настоящего Соглашения, указанную на первой странице настоящего Соглашения.

1.9 *«Сфера применения»* означает лечение и предотвращение заболеваний, инфекций или иных расстройств у людей.

1.10 *«Первая коммерческая продажа»* означает, в отношении Продукта, первую продажу указанного Продукта для конечного применения или потребления в какой-либо стране на Территории после того, как все необходимые разрешения, включая разрешения на маркетинг и ценообразование, будут предоставлены основным органом здравоохранения указанной страны.

1.11 «*Комбинированный продукт с фиксированными дозами*» (FDC) – композиция, предназначенная для перорального или парентерального применения, которая включает два или более активных фармацевтических ингредиента (АФИ), одно из которых Соединение, соединенные в единой лекарственной форме, которая производится или осуществляется ее коммерциализация в соответствующих формах с фиксированной дозировкой.

Комбинированные продукты с фиксированными дозами (FDC) должны рассматриваться как отдельные Продукты и не должны рассматриваться как Комбинированные продукты.

1.12 *«Глобальный план разработок»* означает глобальный план клинических разработок в отношении Продукта, созданный

purpose of obtaining Registration of the Product in the Field worldwide, as amended from time to time, the current draft of which is attached hereto as Exhibit C.

в целях получения Регистрации Продукта в Сфере применения по всему миру, время от времени претерпевающий изменения, текущий проект которого является Приложением С к настоящему Соглашению.

1.13 *"Governmental Authority"* means the government of any country, or of any political subdivision thereof, whether state, regional or local, and any agency, authority, branch, department, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government or any subdivision thereof (including any supra-national bodies), and all officials, agents and representatives of each of the foregoing.

1.13 *«Орган государственной власти»* означает правительство любой страны или любой ее административно-территориальной единицы, на уровне штата, на региональном или местном уровне, а также любое агентство, орган управления, отделение, департамент, регулирующий орган, суд, центральный банк или иную организацию, осуществляющую исполнительные, законодательные, судебные, налоговые, регулирующие или административные полномочия или функции, принадлежащие или относящиеся к правительству или любому его подразделению (включая любые наднациональные органы), а также всех должностных лиц, агентов и представителей любых вышеуказанных организаций.

1.14 *"IND"* shall mean any filing made with the Regulatory Authority in any country in the Territory for initiating clinical trials in such country with respect to the Product.

1.14 *«Заявка IND»* означает любую заявку, поданную в Регулирующий орган любой страны на Территории в целях начала клинических испытаний в указанной стране в отношении Продукта.

1.15 *"Invention"* shall mean any patentable new and useful process, manufacture, compound or composition of matter relating to the Compound or the Product (including, without limitation, the formulation, delivery or use thereof) or any improvement thereof, that is conceived or first reduced to practice or demonstrated to have utility during the term of this Agreement.

1.15 *«Изобретение»* означает могущие быть запатентованными любые новые или полезные процессы изготовления, технологические процессы, соединения или смеси веществ, относящиеся к Соединению или Продукту (в том числе, в частности, к их химическому составу, доставке или использованию), или любое их усовершенствование, которые были задуманы, или впервые применены на практике, или продемонстрированы как полезные на протяжении срока действия настоящего Соглашения.

1.16 *"[*]"* shall have the meaning assigned to such term in Section [*].

1.17 *"Joint Know-How"* shall mean any and all Know-How which are based on, or dependent upon Know-How made jointly by employees of Scynexis and by employees of R-Pharm or their respective subcontractors or Agents.

1.18 *"Joint Patent Rights"* shall mean any and all patents and patent applications in the Territory (which for the purposes of this Agreement shall be deemed to include certificates of invention and applications for certificates of invention) which are based on, or dependent upon (a) Inventions made jointly by employees of Scynexis and by employees of R-Pharm or their respective subcontractors or Agents; [*], and which: (i) claim, cover or relate to the Compound; or (ii) are divisions, continuations, continuations-in-part, reissues, renewals, extensions, supplementary protection certificates, utility, models and the like of any such patents and patent applications and foreign equivalents thereof.

1.19 *"Know-how"* shall mean any and all unpatented inventions, improvements, discoveries, claims, formulae, processes, trade secrets, technologies and know-how (including confidential data and Confidential Information) that is generated, owned or controlled by any Party as existing as on the Effective Date of this Agreement, as well as those that will be created during the term of this Agreement, relating to, derived from or useful for the use or sale of the Compound or the Product, including, without limitation, synthesis, preparation, recovery and purification processes and techniques, control methods and

1.16 «[*]» - имеет значение, приписанное данному термину в Пункте [*].

1.17. *«Совместное Ноу-Хау»* означает любые и все Ноу-Хау, которые основаны или связаны с (а) Ноу-Хау, сделанными совместно работниками «Сайнексис» и «Р-Фарм» или их соответствующими субподрядчиками или Агентами.

1.18. *«Совместные патентные права»* означают все патенты или патентные заявки на Территории (которые в целях настоящего Соглашения включают сертификаты на изобретения и заявки на выдачу сертификата на изобретение), которые основаны или связаны с (а) Изобретениями, сделанными совместно работниками «Сайнексис» и «Р-Фарм» или их соответствующими субподрядчиками или Агентами; [*], и которые: (i) требуются для Соединения, распространяются или относятся к Соединению; или (ii) являются частью, продолжением, продолжением в части, переоформлением, обновлением, расширением, дополнительным охранным сертификатом, обладающими свойством полезности модели и иные подобные патенты и патентные заявки и иностранные эквиваленты им.

1.19 *«Ноу-хау»* означает все и любые не запатентованные изобретения, усовершенствования, открытия, патентные притязания, формулы, процессы, торговые тайны, технологии и ноу-хау (включая конфиденциальные данные и Конфиденциальную информацию), выработанные или контролируемые любой из Сторон или принадлежащие любой Стороне как на Дату вступления в силу настоящего Соглашения, так и те, что будут созданы в течение срока действия настоящего Соглашения, относящиеся к использованию или продаже Соединения или Продукта,

assays, chemical data, toxicological and pharmacological data and techniques, clinical data, medical uses, product forms and product formulations and specifications.

проистекающие из этого или полезные для данной цели, включая, в частности, процессы и методики синтеза, подготовки, восстановления и очистки, методы контроля и образцы для анализа, химические данные, токсикологические и фармакологические данные и методики, клинические данные, способы медицинского применения, формы продукта, а также формулы и спецификации продукта.

1.20 *"Licensed Claim"* shall mean a claim of an issued and unexpired patent included within the Patents, which has not been revoked or held unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed with the time allowed for appeal, and which has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

1.20 *«Лицензированное патентное притязание»* означает формулу изобретения по выданному и действующему патенту, входящему в состав Патентов, которое не было аннулировано или признано лишенным исковой силы либо недействительным в силу решения суда или иного государственного органа надлежащей юрисдикции, не подлежащего апелляции или не обжалованного в течение срока, предоставленного для апелляции, и которое не было отклонено, отвергнуто или признано недействительным или лишенным исковой силы посредством выдачи переизданного патента, или посредством письменного отказа, или иначе.

1.21 *"Licensed Technology"* shall mean the Licensed Claims and Scynexis Know-how, collectively.

1.21 *«Лицензированная технология»* означает совместно Лицензированные патентные притязания и Ноу-хау «Сайнексис».

1.22 "*Merck License*" shall mean that certain Termination and License Agreement between Scynexis and Merck dated May 24, 2013 whereby Scynexis was granted a license to certain technology owned or controlled by Merck regarding the Compound.

1.22. *«Лицензия Мерк»* означает Лицензионное Соглашение между «Сайнексис» и «Мерк» от 24 мая 2013, по которому «Сайнексис» передана лицензия на определенную технологию, относящуюся к Соединению, которой владеет и управляет «Мерк».

1.23 *"Merck"* shall mean Merck Sharp & Dohme Corp.

1.23. *«Мерк»* означает компанию Merck Sharp & Dohme Corp.

1.24 *"Net Sales"* shall mean the invoice

1.24 *«Чистый объем продаж»* означает

price of Product sold by R-Pharm and its Affiliates (which term does not include distributors) to the first independent Third Party, commencing with the First Commercial Sale, after deducting, if not previously deducted, in the amount invoiced or received:

включенную в счета цену Продукта, проданного компанией «Р-Фарм» и ее Аффилированными лицами (указанный термин не включает в себя дистрибьюторов) первой независимой Третьей стороне, начиная от Первой коммерческой продажи, после вычета из суммы, указанной в инвойсе или полученной, следующих сумм, если они не были вычтены ранее:

(a) trade and quantity discounts actually allowed or given;

(a) торговые скидки и скидки за количество, фактически предоставленные или уступленные;

(b) returns, rebates and allowances actually allowed or given;

(b) возвраты, уступки и скидки, фактически предоставленные или уступленные;

(c) charge backs and other amounts paid on sale or dispensing of Products;

(c) возвратные платежи и прочие суммы, выплаченные в связи с продажей или распределением Продуктов;

(d) retroactive price reductions that are actually allowed or granted;

(d) ретроактивные скидки с цены, фактически предоставленные или уступленные;

(e) sales commissions paid to distributors and/or selling agents;

(e) торговые комиссионные, выплаченные дистрибьюторам и/или агентам по продаже;

(f) [*] bad debt, sales or excise taxes (but not including taxes assessed against the income derived from such sale), early payment cash discounts, transportation and insurance charges and additional special transportation, custom duties, and other governmental charges; and

(f) [*] безнадежных долгов, налогов с продаж или акцизных налогов (но исключая налоги, взимаемые с дохода, полученного от указанной продажи), скидок при досрочной оплате наличными, транспортных и страховых издержек, дополнительной специальной транспортировки, таможенных пошлин и прочих государственных сборов; и

(g) the standard inventory cost of devices or delivery systems used for dispensing or administering Product which accompany Product as it is sold.

(g) стандартная инвентарная стоимость устройств или подающих систем, используемых для распределения или применения Продукта и сопровождающих Продукт по мере его продажи.

All prices, costs and any

Все цены, расходы и иные вышеуказанные

abovementioned amounts shall be used in the calculations without VAT and any other similar taxes.

суммы должны использоваться в расчетах без учета НДС и иных подобных налогов.

With respect to sales of Combination Products, Net Sales shall be calculated [*]. In the event that Product is sold only as a Combination Product, Net Sales shall be calculated on the basis of the invoice price of the Combination Product multiplied by a fraction, the numerator of which shall be the [*] of Compound in the Product and the denominator of which shall be the [*] of all of the active ingredients in the Combination Product. In the event that Product is sold only as a Combination Product and either Party reasonably believes that the calculation set forth in this Paragraph does not fairly reflect the value of the Product relative to the other active ingredients in the Combination Product, the Parties shall negotiate, in good faith, other means of calculating Net Sales with respect to Combination Products.

В отношении продаж Комбинированных продуктов Чистый объем продаж должен рассчитываться [*]. В случае, когда Продукт продается только в качестве Комбинированного продукта, Чистый объем продаж должен рассчитываться на основании указанной в счете цены данного Комбинированного продукта, умноженной на дробь, числитель которой равен [*] Соединения в Продукте, а знаменатель равен [*] всех активных ингредиентов в данном Комбинированном продукте. В случае, когда Продукт продается только в качестве Комбинированного продукта, и одна из Сторон обоснованно полагает, что расчет, приведенный в данном Пункте, не является объективным отражением стоимости Продукта по отношению к другим активным ингредиентам Комбинированного продукта, Стороны должны добросовестно обсудить другие способы расчета Чистого объема продаж в отношении Комбинированных продуктов.

1.25 *"Party"* shall mean Scynexis or R-Pharm and, when used in the plural, shall mean Scynexis and R-Pharm.

1.25 *«Сторона»* означает компанию «Сайнексис» или компанию «Р-Фарм», а при использовании во множественном числе данный термин означает «Сайнексис» и «Р-Фарм».

1.26 *"Patents"* shall mean the patents and patent applications set forth on Exhibit A, together with any patents that may issue in future in the Territory covering Compound or its use in the Field, including any and all extensions, renewals, continuations, continuations-in-part, divisions, patents-of-additions, reissues, supplementary protection certificates or foreign counterparts of any of the foregoing.

1.26 *«Патенты»* означают патенты и патентные заявки, описанные в *Приложении А*, вместе с любыми патентами, защищающими Соединение или его использование в Сфере применения, которые могут возникнуть в будущем на Территории, включая все и любые расширения, возобновления, продолжения, частичные продолжения, выделения, дополнительные патенты, переизданные патенты, свидетельства

дополнительной охраны или иностранные аналоги любых вышеуказанных патентов и патентных заявок.

1.27 *"Product"* shall mean any pharmaceutical preparation, comprising Compound, in final form, including all dosage forms, formulations and line extensions thereof, for any and all uses in the Field in the Territory, including without limitation, any Combination Product (i) for sale by prescription, over-the-counter or any other method; or (ii) for administration to human patients in a clinical trial.

1.27 *«Продукт»* означает любой фармацевтический препарат, содержащий Соединение, в готовой форме, включая все соответствующие лекарственные формы, препараты и расширения ассортимента, для всех и любых видов использования в рамках Сферы применения на Территории, включая, в частности, любой Комбинированный продукт (i) для продажи по рецепту, без рецепта или любым иным способом, или (ii) для введения пациентам-людям в клиническом испытании.

1.28 *"Product Specifications"* shall mean the specifications for the Product established by Scynexis and/or R-Pharm in consideration of the regulatory requirements in each country of the Territory and each country outside the Territory, as may be amended from time to time.

1.28. *«Спецификации Продукта»* означают спецификации Продукта, установленные компанией «Сайнексис» или компанией «Р-Фарм», с учетом нормативных требований в каждой стране в пределах Территории и в каждой стране за пределами Территории, с учетом поправок, которые могут вноситься время от времени.

1.29 *"Registration"* shall mean, with respect to each country in the Territory, approval of the Registration Application for the Product filed in such country, including pricing or reimbursement, where applicable, by the Regulatory Authority in such country following which the Product may be legally marketed and sold in such jurisdiction.

1.29 *«Регистрация»* означает, в отношении каждой страны на Территории, утверждение Регулирующим органом указанной страны Заявки на регистрацию Продукта, поданной в данной стране, включая, в соответствующих случаях, ценообразование или льготное обеспечение, после чего может законным образом осуществляться маркетинг и продажа Продукта в указанной юрисдикции.

1.30 *"Registration Application"* shall mean any filing(s) made with the Regulatory Authority in any country in the Territory for regulatory approval of the marketing, manufacture and sale of the Product in such country for human use in the Field.

1.30 *«Заявка на регистрацию»* означает любую подачу документа (документов) в Регулирующий орган в любой стране на Территории в целях официального разрешения маркетинга, производства и продажи данного Продукта в указанной стране для использования людьми в Сфере применения.

1.31 *"Regulatory Authority"* shall mean the authority(ies) in each country in the Territory with responsibility for granting regulatory approval for the marketing and sale of the Product in such country, and any successor(s) thereto.

1.31 *«Регулирующий орган»* означает орган(ы) управления в каждой из стран на Территории, отвечающие за предоставление официального разрешения на маркетинг и продажу Продукта в указанной стране, а также любой преемник (преемники) указанных органов.

1.32 *"R-Pharm Inventions"* shall mean Inventions made solely by employees, contractors or Agents of R-Pharm.

1.32 *"Изобретения «Р-Фарм»"* означают (а) Изобретения, сделанные исключительно работниками, подрядчиками или Агентами компании «Р-Фарм».

1.33 "*R-Pharm Know-How*" shall mean (a) Know-how which is generated, owned or controlled by R-Pharm as of the Effective date of this Agreement or during the term of this Agreement and (b) Know-how made solely by employees, contractors or Agents of R-Pharm.

1.33. «*Ноу-хау «Р-Фарм»* означает (а) Ноу-хау, разработанные или контролируемые «Р-Фарм» на Дату вступления в силу настоящего Соглашения или в течение срока действия настоящего Соглашения и (б) Ноу-хау сделанные исключительно работниками, подрядчиками или Агентами «Р-Фарм».

1.34 *"Scynexis Inventions"* shall mean Inventions made solely by employees, contractors or Agents of Scynexis.

1.34 *"Изобретения «Сайнексис»"* означают Изобретения, сделанные исключительно работниками, подрядчиками или Агентами компании «Сайнексис».

1.35 *"Scynexis Know-how"* shall mean (a) Know-how which is generated, owned or controlled by Scynexis as of the Effective date of this Agreement or during the term of this Agreement and (b) Know-how made solely by employees, contractors or Agents of Scynexis.

1.35 "*Ноу-хау «Сайнексис»* означают (а) Ноу-хау, выработанные или контролируемые компанией «Сайнексис» или принадлежащие компании «Сайнексис» на Дату вступления в силу настоящего Соглашения или в течение срока действия настоящего Соглашения и (b) Ноу-хау, сделанные исключительно работниками, подрядчиками или Агентами компании «Сайнексис».

1.36 "*Strategic Partners*" shall have the meaning assigned to such term in Section 4.4(d).

1.36 «*Стратегические партнеры*» имеют значение, приписанное данному термину в Пункте 4.4(d).

1.37 "*Territory*" shall mean the Russian Federation, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Ukraine, Uzbekistan, Georgia,

1.37 «*Территория*» означает Российскую Федерацию, Армению, Азербайджан, Беларусь, Казахстан, Кыргызстан, Молдову, Таджикистан, Туркменистан, Украину, Узбекистан, Грузию, Турцию, Македонию,

Turkey, Macedonia, Bosnia, Albania, Montenegro, Serbia, Bahrain, Jordan, Iraq, Iran, Kuwait, Qatar, Oman, Lebanon, Syria, Saudi Arabia, UAE, Yemen, Egypt, Algeria, Tunisia, Morocco, Libya, Western Sahara and Sudan, subject to adjustment pursuant to Section 5.12 hereof.

Боснию, Албанию, Черногорию, Сербию, Бахрейн, Иорданию, Ирак, Иран, Кувейт, Катар, Оман, Ливан, Сирию, Саудовскую Аравию, ОАЭ, Йемен, Египет, Алжир, Тунис, Марокко, Ливию, Западную Сахару и Судан, при условии корректировки в соответствии с Пунктом 5.12 настоящего Соглашения.

1.38 "*Territory Development Committee*" shall have the meaning assigned to such term in Section 3.1.

1.38 «*Комитет по разработкам на Территории*» имеет значение, приписанное данному термину в Пункте 3.1.

1.39 "*Territory Development Plan*" shall mean the clinical development plan designed for the purpose of obtaining Registration of the Product in the Field in each country in the Territory, as amended from time to time, the current draft of which is attached hereto as Exhibit D.

1.39. «*План разработок на Территории*» означает план клинических разработок, составленный в целях получения Регистрации Продукта в Сфере применения в каждой стране на Территории, время от времени претерпевающий изменения, текущий проект которого является Приложением D к настоящему Соглашению.

1.40 "*Third Party*" shall mean any person who or which is neither a Party nor an Affiliate of a Party.

1.40. «*Третья сторона*» означает любое лицо, не являющееся ни Стороной, ни Аффилированным лицом Стороны.

1.41 "*Trademark*" shall have the meaning assigned thereto in Section 5.10.

1.41 «*Товарный знак*» имеет значение, приписанное данному термину в Пункте 5.10.

2. REPRESENTATIONS AND WARRANTIES.

2. ЗАЯВЛЕНИЯ И ГАРАНТИИ

2.1 Representations and Warranties of Both Parties. *Each Party represents and warrants to the other Party, as of the Effective Date, that:*

2.1 *Заявления и гарантии обеих сторон.* Каждая Сторона заявляет и гарантирует другой Стороне, по состоянию на Дату вступления в силу, что:

(a) such Party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

(а) указанная Сторона надлежащим образом организована, действительным образом существует и имеет надлежащий статус по законам юрисдикции, в которой она зарегистрирована, а также обладает всеми корпоративными правами и полномочиями на заключение настоящего Соглашения и на

выполнение его положений;

(b) such Party is free to enter into this Agreement;

(b) указанная Сторона вправе заключить настоящее Соглашение;

(c) in so doing, such Party will not violate any other agreement to which it is a party;

(c) осуществляя указанное действие, указанная Сторона не будет нарушать никакое иное соглашение, по которому она является стороной;

(d) such Party has taken all corporate action necessary to authorize the execution and delivery of this Agreement and the performance of its obligations under this Agreement; and

(d) указанная Сторона осуществила все корпоративные действия, необходимые для того, чтобы санкционировать оформление и заключение настоящего Соглашения, а также выполнение ее обязательств по настоящему Соглашению; и

(e) no person or entity has or will have, as a result of the transactions contemplated by this Agreement, any right, interest or valid claim against or upon such Party for any commission, fee or other compensation as a finder or broker because of any act or omission by such Party or any of its Agents.

(e) никакое лицо или предприятие не имеет и не будет иметь в результате сделок, предусмотренных настоящим Соглашением, никакого права, имущественного права или действительной претензии к указанной Стороне или в ее отношении по любому комиссионному вознаграждению, гонорару или иному возмещению в качестве маклера или брокера вследствие любого действия или бездействия указанной Стороны или каких-либо ее Агентов.

2.2 *Representations and Warranties of Scynexis.* Scynexis represents and warrants to R-Pharm, as of the Effective Date, that:

2.2 *Заявления и гарантии «Сайнексис».* Компания «Сайнексис» заявляет и гарантирует компании «Р-Фарм», на Дату вступления в силу, что:

(a) Scynexis is the owner of, or has exclusive rights to, all of the Patents in the Field in existence on the Effective Date, and has the exclusive right to grant the licenses granted under this Agreement with respect to the Patents;

(a) «Сайнексис» является владельцем нижеуказанных патентов или обладателем исключительных прав в отношении всех Патентов в Сфере применения, существующих на Дату вступления в силу, и обладает исключительным правом предоставления лицензий, предоставляемых по настоящему Соглашению в отношении указанных Патентов;

(b) to the best of Scynexis'

(b) по всем имеющимся у «Сайнексис»

knowledge, Scynexis has rights in the Field to all of the Scynexis Know-how in existence on the Effective Date and the right to grant licenses with respect thereto;

(c) Scynexis has not entered into any agreement with any Third Party that is in conflict with the rights granted to R-Pharm pursuant to this Agreement; and

(d) Scynexis is unaware of any patents or trade secret rights owned or controlled by a third party, to which it does not already have rights, which would dominate, or be infringed or misappropriated by the manufacture of Product or its use or sale, and is unaware of any claims of such domination, infringement or misappropriation by Third Parties.

(e) As of the Effective Date, to the knowledge of Scynexis, the validity or enforceability of the Patents has not been contested or threatened in writing to be contested by any Third Party. To the knowledge of Scynexis, all patent applications which relate to the Patents have been filed or will be filed in accordance with the applicable formal requirements and none of such patent applications, or Patents have lapsed by reason of abandonment or non-payment of any fees, and Merck has paid, or has caused to be paid, all maintenance fees, which are due and payable with respect to the Patents;

сведениям, «Сайнексис» обладает правами в Сфере применения на все Ноу-хау «Сайнексис», существующее на Дату вступления в силу, а также правом предоставления лицензий в отношении указанного Ноу-хау;

(c) компания «Сайнексис» не заключила ни с какой Третьей стороной никакого соглашения, конфликтующего с правами, предоставленными компании «Р-Фарм» по настоящему Соглашению; и

(d) компания «Сайнексис» не осведомлена ни о каких патентах или правах на торговые секреты, принадлежащих третьей стороне или контролируемых третьей стороной, на которые компания «Сайнексис» пока еще не имеет прав, и которые могли бы доминировать, или быть нарушены или незаконно присвоены посредством производства Продукта, или его использования или продажи, и не осведомлена ни о каких претензиях Третьих сторон по поводу подобного доминирования, нарушения или незаконного присвоения.

(e) На Дату вступления в силу, насколько известно «Сайнексис», действительность или исковая сила Патентов не были оспорены никакой Третьей стороной, и не поступало письменного сообщения об угрозе такого спора. Насколько известно «Сайнексис», все патентные заявки, относящиеся к Патентам, были поданы или будут поданы в соответствии с применяемыми формальными требованиями, и никакие из указанных патентных заявок или Патентов, не стали недействительными вследствие отказа от притязания или вследствие неуплаты каких-либо взносов, и компания «Мерк» уплатила все пошлины или инициировала уплату пошлин за поддержание в силе, причитающиеся и

подлежащие уплате в отношении Патентов;

(f) To Scynexis's knowledge, the Patents are not subject to any pending or any threatened re-examination, opposition, interference or litigation proceedings;

(f) Насколько известно компании «Сайнексис», в отношении Патентов не проводятся любые продолжающиеся или угрожающие процедуры перепроверки, оспаривания, вмешательства или судебного разбирательства;

(g) Scynexis has made available to R-Pharm, via access to an electronic data room, all available material information in its possession or control concerning the quality, toxicity, safety and/or efficacy concerns existing as of the Effective Date that may materially impair the utility and/or safety of the Product;

(g) компания «Сайнексис» предоставила компании «Р-Фарм» посредством доступа к электронной комнате данных доступ ко всей доступной существенной информации, которой она обладает, в отношении проблем качества, токсичности, безопасности и(или) эффективности, существующую на Дату вступления в силу, могущую оказать существенное неблагоприятное воздействие на полезность и(или) безопасность Продукта;

(h) To Scynexis's knowledge, manufacturing, marketing, offering for sale, sale, importing, or exporting (within the Territory) Products or Compound by R-Pharm as provided for in this Agreement does not infringe upon any Third Party's patent, copyright, trade secret and other intellectual property rights or any other proprietary rights;

(h) Насколько известно компании «Сайнексис», производство, маркетинг, предложение к продаже, продажа, импорт и экспорт Продукта и Соединения «Р-Фарм» на Территории как предусмотрено в настоящем Соглашении, не нарушает любой патент, авторское право, коммерческую тайну и иное право интеллектуальной собственности Третьего лица, или другие права собственности;

(i) All license, authorization or consent necessary to grant licenses to R-Pharm upon this Agreement have been obtained by Scynexis and any royalty, fee, remuneration or other payment to, any Third Party or any author or inventor have been made, excepting for those continuing obligations, not yet due, under the Merck License;

(i) Все лицензии, разрешения или согласия, необходимые для предоставления лицензий компании «Р-Фарм» на основании настоящего Соглашения были получены компанией «Сайнексис» и все роялти, вознаграждения, компенсации или другие суммы были уплачены любому Третьему лицу или любому автору или изобретателю, за исключением длящихся обязательств, срок исполнения которых не наступил в соответствии с условиями Лицензии Мерк;

(j) To Scynexis's knowledge, neither the Patents nor the Scynexis Know-How contain or utilize any confidential information of, or any intellectual property created by or belonging to, Third Parties, excepting that confidential information and intellectual property the right to which have been obtained by Scynexis under the Merck License;

(j) Насколько известно компании «Сайнексис», Патенты, Ноу-хау «Сайнексис» не содержат и не используют любую конфиденциальную информацию Третьих лиц, или любую интеллектуальную собственность, созданную Третьими лицами или принадлежащую Третьим лицам, за исключением такой конфиденциальной информации и интеллектуальной собственности, правом на которую «Сайнексис» обладает в соответствии с Лицензией Мерк;

(k) To Scynexis's knowledge, (i) no author or inventor of the Patents, the Scynexis Know-How, including, without limitation, Scynexis's owners, directors, officers, employees, has any proprietary rights whatsoever in or to the Patents or the Scynexis Know-How and (ii) Scynexis is entitled to use and to allow others to use such Patents and the Scynexis Know-How or any of its elements or components with or without indication of such author's or inventor's name in R-Pharm's and Scynexis's discretion;

(k) Насколько известно компании «Сайнексис», (i) ни автор, ни изобретатель Патентов, Ноу-хау «Сайнексис», включая, без ограничений, собственников, директоров, должностных лиц, сотрудников «Сайнексис», не имеет любых прав собственности на Патенты, Ноу-хау «Сайнексис» и (ii) «Сайнексис» вправе использовать и позволять другим использовать такие Патенты и Ноу-хау «Сайнексис» или любые из их элементов или компонентов с или без указания имени автора или изобретателя по усмотрению компаний «Р-Фарм» или «Сайнексис»;

(l) To Scynexis's knowledge, there is no claim or demand of any person or entity pertaining to, or any proceeding which is pending or, to the knowledge of Scynexis, threatened, that challenges the validity, use or existence of any Patents and the Scynexis Know-How, the rights of R-Pharm in respect of any Patents and the Scynexis Know-How, or that claims that any default exists under any license with respect to any Patents or the Scynexis Know-How to which Scynexis is a party, except where such claim, demand or proceeding would not materially and adversely affect the ability of Scynexis to carry out its obligations under this Agreement; and

(l) Насколько известно компании «Сайнексис», отсутствуют какие-либо претензии или требования любого лица или юридического лица в отношении действительности, использования или существования любого Патента и Ноу-хау «Сайнексис», прав «Р-Фарм» в отношении любого Патента и Ноу-хау «Сайнексис», а также отсутствуют продолжающиеся или, насколько известно «Сайнексис», угрожающие судебные разбирательства, в которых оспаривается действительность, использование или существование любых Патентов или Ноу-хау «Сайнексис», прав «Р-Фарм» в отношении любых Патентов или Ноу-хау «Сайнексис», или претензии или

требования, в которых заявляется о наличии любого невыполнения обязательств по любой лицензии в отношении любых Патентов или Ноу-хау «Сайнексис», стороной в которых является «Сайнексис», за исключением случаев, когда такая претензия, требование или процессуальное действие не оказали бы существенное и неблагоприятное воздействие на способность компании «Сайнексис» выполнять свои обязанности по настоящему Соглашению; и

(m) Each current and former employee and contractor of Scynexis who is or was involved in, or who has contributed to, the creation or development of any Patents and the Scynexis Know-How or who are currently reasonably anticipated to be involved in the creation of any Patents, and/or the Scynexis Know-How, has executed and delivered an agreement in substantially the form of Scynexis's standard proprietary information and inventions agreement (in the case of an employee) or consulting agreement (in the case of a contractor), which agreements provide valid written assignments (or an agreement to assign) to Scynexis of all title and rights to any Patents and the Scynexis Know-How conceived or developed thereunder but not already owned by Scynexis by operation of law.

(m) Каждый настоящий или бывший работник или подрядчик «Сайнексис», который вовлечен или был вовлечен, или внес вклад в создание или разработку любых Патентов или Ноу-хау «Сайнексис» или который как обоснованно ожидается должен быть вовлечен в создание любых Патентов, и/или Ноу-хау «Сайнексис», заключил соглашение существенные условия которого соответствуют форме стандартного соглашения «Сайнексис» об информации, являющейся собственностью «Сайнексис» и изобретениях (в случае, если речь идет о работнике) или консалтинговое соглашение (если речь идет о подрядчике). Такое соглашение обеспечивает действительную передачу «Сайнексис» в письменной форме любых титулов и прав (или соглашение о передаче) на любые Патенты, Ноу-хау «Сайнексис», возникшие или разрабатываемые по настоящему Соглашению, но не перешедшие еще в собственность «Сайнексис» в соответствии с законом.

2.3 *Representations and Warranties of R-Pharm*. R-Pharm represents and warrants to Scynexis, as of the Effective Date, that:

2.3 *Заявления и гарантии «Р-Фарм»*. Компания «Р-Фарм» заявляет и гарантирует компании «Сайнексис», на Дату вступления в силу, что:

(a) R-Pharm has the facilities, personnel and experience sufficient in quantity

(a) у «Р-Фарм» имеются средства производства, персонал и специальные

and quality to perform its obligations under this Agreement;

(b) all of the personnel assigned to perform such obligations shall be qualified and properly trained;

(c) R-Pharm shall perform such obligations in a professional and diligent manner commensurate with the highest prevailing standards applicable in its industry; and

(d) Each current and former employee and contractor of R-Pharm who are currently reasonably anticipated to be involved in the creation of any Patents, and/or the R-Pharm Know-How, has executed and delivered an agreement in substantially the form of R-Pharm's standard proprietary information and inventions agreement (in the case of an employee) or consulting agreement (in the case of a contractor), which agreements provide valid written assignments (or an agreement to assign) to R-Pharm of all title and rights to any Patents and the R-Pharm Know-How conceived or developed thereunder but not already owned by R-Pharm by operation of law.

знания, достаточные, в количественном и качественном отношении, для выполнения ее обязательств по настоящему Соглашению;

(b) все сотрудники, которым поручено выполнение указанных обязательств, должны быть квалифицированными и надлежащим образом обученными;

(c) компания «Р-Фарм» должна выполнять указанные обязательства профессионально и тщательно, способом, который соответствует наивысшим действующим стандартам, применимым в ее отрасли; и

(d) Каждый настоящий или бывший работник или подрядчик «Р-Фарм», который по текущим обоснованным ожиданиям будет вовлечен в создание или разработку любых Патентов и/или Ноу-хау «Р-Фарм», заключил соглашение существенные условия которого соответствуют форме стандартного соглашения «Р-Фарм» об информации, являющейся собственностью «Р-Фарм» и изобретениях (в случае, если речь идет о работнике) или консалтинговое соглашение (если речь идет о подрядчике). Такое соглашение обеспечивает действительную передачу «Р-Фарм» в письменной форме любых титулов и прав (или соглашение о передаче) на любые Патенты, Ноу-хау «Р-Фарм», возникшие или разрабатываемые по настоящему Соглашению, но еще не перешедшие в собственность «Р-Фарм» в соответствии с законом.

3. TERRITORY DEVELOPMENT COMMITTEE.

3.1 *Members; Chairperson.* The Parties shall establish a joint clinical development committee (the "Territory

3. КОМИТЕТ ПО РАЗРАБОТКАМ НА ТЕРРИТОРИИ.

3.1 *Члены комитета; Председатель.* Стороны должны учредить совместный комитет по клиническим разработкам

Development Committee"), which shall consist of three (3) named representatives of Scynexis and three (3) named representatives of R-Pharm. At least one representative from each Party must be a product development professional. The Territory Development Committee shall initially consist of those representatives who are listed on Exhibit B. A member of the Territory Development Committee may be represented at any meeting by a designee appointed by such member for such meeting. The chairperson of the Territory Development Committee shall serve a one-year term, commencing on the Effective Date or an anniversary thereof, as the case may be. The right to name the chairperson of the Territory Development Committee shall alternate between the Parties, and each chairperson shall be named no later than ten (10) days after the commencement of his or her term. The initial chairperson shall be selected by Scynexis. Each Party shall be free to change its members, upon prior written notice to the other Party. Each Party may, in its discretion, invite non-member representatives of such Party to attend meetings of the Territory Development Committee, provided that the other Party approves such Party's invitee(s) in advance.

3.2 Responsibilities; Decisions. Subject to the other terms of this Agreement, the Territory Development Committee shall review and evaluate the sufficiency of R-Pharm's progress in the development and

(«Комитет по разработкам на Территории»), который должен состоять из 3 (трех) назначенных представителей «Сайнексис» и 3 (трех) назначенных представителей «Р-Фарм». Как минимум один представитель от каждой стороны должен быть профессионалом в области разработки продукта. Комитет по разработкам на Территории должен вначале состоять из представителей, перечисленных в *Приложении В*. На любом заседании член Комитета по разработкам на Территории может быть представлен уполномоченным лицом, которое указанный член комитета назначил для участия в указанном заседании. Председатель Комитета по разработкам на Территории исполняет свои обязанности в течение срока в один год, начиная от Даты вступления в силу или, соответственно, от ее годовщины. Право назначения председателя Комитета по разработкам на Территории принадлежит Сторонам по очереди, и каждый председатель должен быть назначен не позднее, чем через 10 (десять) дней с начала срока полномочий данного председателя. Первого председателя выбирает компания «Сайнексис». Каждая Сторона имеет право заменять своих членов комитета по предварительному письменному уведомлению в адрес другой Стороны. Каждая Сторона может, на свое усмотрение, приглашать представителей данной Стороны, не являющихся членами комитета, на заседания Комитета по разработкам на Территории, при условии, что другая Сторона заблаговременно одобрила приглашенное лицо (приглашенных лиц) вышеуказанной Стороны.

3.2 Обязанности; решения.

(a) При соблюдении прочих условий настоящего Соглашения, Комитет по разработкам на Территории должен рассматривать и оценивать достаточность

commercialization of the Product in each country in the Territory and shall coordinate such efforts with the Global Development Plan. Without limiting the generality of the foregoing, the Territory Development Committee shall:

успехов в деятельности «Р-Фарм» по разработке и коммерческой реализации Продукта в каждой стране на Территории и должен координировать указанную деятельность с Глобальным планом разработок. Без ограничения вышеизложенного, Комитет по разработкам на Территории должен:

(a) review data and reports arising from and generated in connection with the Territory Development Plan;

(a) рассматривать данные и отчеты, возникающие исходя из Плана разработок на Территории и вырабатываемые в связи с указанным планом;

(b) review all studies relating to the Product and any other studies proposed to be performed in connection with the registration process for the Product under this Agreement;

(b) рассматривать все исследования, относящиеся к Продукту, и любые другие исследования, осуществление которых предложено в связи с процедурой регистрации Продукта по настоящему Соглашению;

(c) provide a mechanism for the exchange of information between the Parties with regard to Know-how and Inventions;

(c) обеспечивать механизм обмена информацией между Сторонами в отношении Ноу-хау и Изобретений;

(d) provide a mechanism for the exchange of documents and information between the Parties with regard to all data that shall be provided by the Parties to each other according to this Agreement; and

(d) обеспечивать механизм обмена документами и информацией между Сторонами в отношении всех данных, которые должны быть предоставлены Сторонами друг другу в соответствии с настоящим Соглашением; и

(e) have such other responsibilities as may be assigned to the Territory Development Committee pursuant to this Agreement or as may be mutually agreed upon by the Parties from time to time.

(e) иметь иные обязанности, которые могут быть возложены на Комитет по разработкам на Территории в соответствии с настоящим Соглашением, или которые могут быть взаимно согласованы Сторонами время от времени.

Decisions of the Territory Development Committee shall be by unanimous decision, with each member having one vote. In the event that, after good faith discussions, the Territory Development Committee cannot reach consensus regarding

Решения Комитета по разработкам на Территории принимаются посредством единогласного решения, при этом каждый член комитета имеет один голос. В случае, когда после добросовестных обсуждений Комитет по разработкам на Территории не

any matter before it, such matter shall be referred for further review and resolution to the CEO of Scynexis and the CEO of R-Pharm, and they shall use reasonable efforts to resolve the matter within [*] after the matter is referred to them.

может достичь консенсуса в отношении какого-либо поставленного перед ним вопроса, указанный вопрос должен быть передан, в целях дальнейшего рассмотрения и решения, Главному исполнительному директору «Сайнексис» и Генеральному директору «Р-Фарм», и указанные лица должны принять разумно необходимые меры для решения данного вопроса в течение [*] после передачи данного вопроса на их рассмотрение.

3.3 *Meetings.* During the term of the Territory Development Plan and the [*] period thereafter, the Territory Development Committee shall meet at least [*] during every calendar year, and more frequently as the Parties deem appropriate, on such dates, and at such times and places, as the Parties shall agree; provided, however, that at least one meeting during each calendar year shall be held in each of the United States and Russia, unless the Parties otherwise agree. Thereafter, during the remainder of the term of this Agreement, the Territory Development Committee shall meet on an as-needed basis on such dates, and at such places and times, as the Parties shall agree. The chairperson shall, if practicable, send notice of all meetings to all members of the Territory Development Committee no less than [*] before the date of each meeting. The Territory Development Committee may also convene or be polled or consulted from time to time by means of telecommunications, video conferences or correspondence, as deemed necessary or appropriate.

3.3 *Заседания.* На протяжении срока действия Плана по разработкам на Территории и последующего [*] срока Комитет по разработкам на Территории должен собираться на заседания как минимум [*] в течение каждого календарного года, и чаще, по мере того, как Стороны сочтут это необходимым, в такие даты, в такое время и в таких местах, которые согласовываются Сторонами; *при условии, однако,* что как минимум по одному заседанию в течение каждого календарного года должно быть проведено в США и в России, если Стороны не договорятся об ином. Впоследствии, на протяжении оставшейся части срока действия настоящего Соглашения, Комитет по разработкам на Территории должен собираться на заседания по мере необходимости, в такие даты, в такое время и в таких местах, которые согласовываются Сторонами. Председатель должен, если это осуществимо, высылать уведомления обо всех заседаниях всем членам Комитета по разработкам на Территории не позднее, чем за [*] до даты каждого из заседаний. Комитет по разработкам на Территории может также время от времени собираться или проводить опросы либо консультации посредством телекоммуникации, видеосвязи или переписки, по мере того, как это будет сочтено необходимым или уместным.

3.4 *Term.* The Territory Development Committee shall exist until the termination or expiration of the Territory Development Plan plus the [*] period thereafter and for such longer period as necessary to perform the responsibilities assigned to it under this Agreement.

3.5 *Expenses.* Each Party shall be responsible for all travel and related costs and expenses for its members and approved invitees to attend meetings of, and otherwise participate on, the Territory Development Committee.

4. DEVELOPMENT OBLIGATIONS.

4.1 *Generally.* R-Pharm shall have two types of responsibility in development of the Product:

(a) Responsibility for all development activity necessary or appropriate to the Registration of the Product in all countries in the Territory ("Territorial Registration") pursuant to the Territory Development Plan and in co-ordination with the Global Development Plan; and

(b) Participate in the implementation of the Global Development Plan.

4.2 *Territorial Registration.* As to Registration in the Territory, R-Pharm, at its own expense, shall expeditiously develop the Product pursuant to the Territory Development Plan and, at the same time, in a manner and consistent with, the Global Development Plan, including, without limitation, obtaining all Registrations necessary to market and sell the

3.4 *Срок полномочий.* Комитет по разработкам на Территории должен существовать до прекращения действия или истечения срока действия Плана разработок на Территории плюс последующий [*] срок, а также в течение более длительного срока, необходимого для выполнения обязанностей, возложенных на данный комитет в соответствии с настоящим Соглашением.

3.5 *Издержки.* Каждая Сторона отвечает за все командировочные и сопутствующие издержки своих членов комитета и утвержденных лиц, приглашенных в целях посещения заседаний и иного участия в работе Комитета по разработкам на Территории.

4. ОБЯЗАТЕЛЬСТВА ПО РАЗРАБОТКЕ

4.1 *Общие положения.* У компании «Р-Фарм» имеется два вида обязанностей по разработке Продукта:

(a) Обязанность осуществлять все действия по разработке, необходимые или уместные в целях Регистрации Продукта во всех странах на Территории («Территориальная регистрация») в соответствии с Планом разработок на Территории и согласованно с Глобальным планом разработок; и

(b) Участие в реализации Глобального плана разработок.

4.2 *Территориальная регистрация.* В отношении Регистрации Продукта на Территории компания «Р-Фарм» за свой счет должна оперативно осуществлять разработку Продукта в соответствии с Планом разработок на Территории и, в то же самое время, способом, совместимым с Глобальным планом разработок, включая, в частности,

Product in each country of the Territory, in such order of priority as R-Pharm, in consultation with Scynexis, reasonably shall deem appropriate. Consistent therewith R-Pharm shall:

обеспечение всех Регистраций, необходимых для маркетинга и продажи Продукта в каждой стране на Территории, в таком порядке очередности, который компания «Р-Фарм», после консультации с компанией «Сайнексис», обоснованно сочтет необходимым. В соответствии с этим компания «Р-Фарм» должна:

(a) Dedicate resources to the development and commercialization of the Product within the Territory at least to that level of resources consistent with products of similar commercial potential that R-Pharm otherwise develops for sale in the Territory. R-Pharm shall be responsible for costs associated with the clinical development of the Product in the Territory as set forth in Section 4.2(i) of this Agreement;

(a) Выделять ресурсы на разработку и коммерческую реализацию Продукта в пределах Территории, при этом выделяться должен, по меньшей мере, такой объем ресурсов, которые «Р-Фарм» выделяет для развития на Территории продуктов со схожим коммерческим потенциалом. «Р-Фарм» отвечает за издержки, связанные с клинической разработкой Продукта на Территории как установлено Пунктом 4. (i) настоящего Соглашения;

(b) Conduct, or cause to be conducted, manage and oversee any additional pre-clinical pharmacological or toxicological studies, required by the Regulatory Authorities in the Territory in order to file a Registration Application for the Product in each country in the Territory;

(b) Осуществлять, или распоряжаться об их осуществлении, регулировать и контролировать любые дополнительные доклинические фармакологические или токсикологические исследования, затребованные Регулирующим органом на Территории в целях подачи Заявки на регистрацию Продукта в каждой стране на Территории;

(c) Make and pursue all regulatory filings (including, without limitation, all INDs and Registration Applications) in the Territory, based in part on the information and documentation provided by Scynexis and in part on information and data generated and obtained by R-Pharm in connection with the Territory Development Plan, and conduct all analysis and other support necessary with respect to the manufacture and sale of the Product in the Territory;

(c) Осуществлять и продолжать подачу всех документов в целях регулирования (включая, в частности, все Заявки IND и Заявки на регистрацию) на Территории, отчасти на основании информации и документации, предоставленной компанией «Сайнексис», а отчасти на основании информации и данных, выработанных и полученных компанией «Р-Фарм» в связи с Планом разработок на Территории, а также осуществлять все аналитические исследования и иное содействие, необходимое в отношении производства и

продажи Продукта на Территории;

(d) Proceed diligently to perform such obligations, including, without limitation, by using personnel with sufficient skills and experience, together with sufficient equipment and facilities;

(d) Должным образом приступать к выполнению указанных обязательств, в том числе, в частности, посредством привлечения сотрудников, обладающих достаточными навыками и опытом, а также посредством использования надлежащего оборудования и средств производства;

(e) Conduct the Territory Development Plan in good scientific manner, and in compliance in all material respects with all requirements of applicable laws, rules and regulations, and all other requirements of any applicable current good clinical practice, current good laboratory practice and current good manufacturing practice to attempt to achieve the objectives of the Territory Development Plan efficiently and expeditiously;

(e) Выполнять План разработок на Территории с использованием надлежащих научных методов, во всех существенных отношениях соблюдая все требования применяемых законов, норм и распоряжений, а также все прочие требования текущих правил надлежащей клинической практики, текущих правил надлежащей лабораторной практики и текущих правил надлежащей производственной практики, с тем, чтобы стремиться к эффективному и неотложному достижению целей, определенных в Плане разработок на Территории;

(f) Within [*] after the end of each [*] period during the term of the Territory Development Plan and within [*] following the expiration or termination of the Territory Development Plan, furnish the Territory Development Committee with reasonably detailed, written reports on all activities conducted by R-Pharm under the Territory Development Plan during such [*] period or the term of the Territory Development Plan, as the case may be;

(f) В течение [*] после окончания каждого [*] срока на протяжении срока действия Плана разработок на Территории, а также в течение [*] после истечения срока действия или прекращения действия Плана разработок на Территории, предоставлять Комитету по разработкам на Территории достаточно подробные письменные отчеты обо всех видах деятельности, осуществлявшихся компанией «Р-Фарм» по Плану разработок на Территории в течение указанного [*] срока или, соответственно, в течение срока действия Плана разработок на Территории;

(g) Maintain records, in sufficient detail and in good scientific manner, which shall be complete and accurate and shall fully and properly reflect all work done and results achieved in connection with the Territory

(g) При помощи надлежащих научных методов вести достаточно подробные учетные документы, которые должны быть полными и точными, должны в полной мере и надлежащим образом отражать всю проделанную работу и все достигнутые

Development Plan in the form required under all applicable laws and regulations. Scynexis shall have the right, during normal business hours and upon reasonable notice, to inspect and copy all such records. Scynexis shall maintain such records and information contained therein in confidence in accordance with Section 10 and shall not use such records or information except to the extent otherwise permitted by this Agreement; and

результаты в связи с Планом разработок на Территории, в той форме, которая требуется согласно всем применяемым законам и нормам. Компания «Сайнексис» имеет право, в течение обычных рабочих часов и по заблаговременному уведомлению, проверять и копировать все указанные учетные документы. Компания «Сайнексис» должна хранить указанные учетные документы и содержащуюся в них информацию с соблюдением конфиденциальности, в соответствии со Статьей 10, и не должна использовать указанные документы или информацию, за исключением той степени, в которой в настоящем Соглашении разрешено обратное; и

(h) Allow representatives of Scynexis, upon reasonable notice and during normal business hours, to visit R-Pharm's facilities (and those of its subcontractors) where the Territory Development Plan is being conducted, and consult informally, during such visits and by telephone, with R-Pharm's personnel performing work on the Territory Development Plan.

(h) Разрешать представителям «Сайнексис», по обоснованному уведомлению и в течение обычных рабочих часов, посещать производственные помещения компании «Р-Фарм» (и тех из ее субподрядчиков), в которых осуществляется План разработок на Территории, и проводить неформальные консультации, в течение указанных посещений и по телефону, с сотрудниками «Р-Фарм», выполняющими работу по Плану разработок на Территории.

(i) In furtherance of the foregoing, R-Pharm's shall reimburse Scynexis for the costs paid to Third parties for the conduct of the Phase II trials for the Compound conducted pursuant to the Global Development Plan, as and when such costs are payable by Scynexis, provided, however, that [*]. In case that upon the review of the interim data by Territory Development Committee the continuation of the Phase II trials for the Compound will be approved by Territory Development Committee, R-Pharm shall reimburse Scynexis for the additional costs paid to Third parties for the conduct of such Phase II trials for the Compound as and when such costs are payable by Scynexis, provided, however, that

(i) В продолжение вышеизложенного компания «Р-Фарм» должна возместить компании «Сайнексис» расходы, уплаченные Третьим сторонам за проведение клинических исследований Соединения Фазы II в соответствии с Глобальным планом разработок, так и тогда, когда такие расходы были оплачены компанией «Сайнексис», при условии, однако, что [*]. В случае если после изучения промежуточных данных Комитетом по разработкам на Территории продолжение клинических исследований Соединения Фазы II будет одобрено Комитетом по разработкам на Территории, компания «Р-Фарм» должна возместить компании «Сайнексис» дополнительные расходы, уплаченные

[*]. In addition, in furtherance of the foregoing, R-Pharm shall reimburse Scynexis for the Third Party costs of participation of the patients located in the Territory in Phase III trials for the Compound conducted pursuant to the Global Development Plan, provided, however, that [*]. In addition, Phase III trials conducted under the Territory Development Plan for the purposes of obtaining registrations in jurisdictions in the Territory shall be funded entirely by R-Pharm. R-Pharm shall reimburse costs, according to this clause 4.2 (i), only after receipt from Scynexis the verified copies of the documents confirming such costs.

Третьим сторонам за проведение таких клинических исследований Соединения Фазы II, так и тогда, когда такие расходы были уплачены компанией «Сайнексис», при условии, однако, что [*]. В дополнение к вышеизложенному, компания «Р-Фарм» должна возместить компании «Сайнексис расходы на участие пациентов на Территории в клинических исследованиях Соединения Фазы III в соответствии с Глобальным планом разработок, при условии, однако, что [*]. В дополнение клинические исследования Фазы III, проводимые в соответствии с Планом разработок на Территории для целей получения регистрации в юрисдикциях на Территории, должны финансироваться исключительно компанией «Р-Фарм». Компания «Р-Фарм». Компания «Р-Фарм» должна возмещать расходы в соответствии с настоящей статьей 4.2 (i) только после получения от компании «Сайнексис» заверенных копий подтверждающих документов.

4.3 *R-Pharm Participation in Global Development Plan Responsibilities.* As to participation in the implementation of the Global Development Plan, R-Pharm, at its sole cost and expense, shall:

4.3 *Участие «Р-Фарм» в выполнении обязанностей по Глобальному плану разработок.* В отношении участия в выполнении Глобального плана разработок компания «Р-Фарм», исключительно за свой счет, должна:

(a) Funding the services involving the development of [*] the Compound to the [*] stage, (e.g. [*]), according to the Global Development Plan for the Product, the specifications for which shall be compliant with all regulatory requirements applicable in every country of the Territory. The service provider that will provide services involving the development of [*] the Compound to the [*] stage and the [*] of the services shall be determined by Territory Development Committee. Such [*] work will [*] only [*] as are [*]. All Inventions developed in the course

(a) Финансировать услуги, связанные с разработкой [*] Соединения до [*], в соответствии с Глобальным планом разработок для Продукта, спецификации для которого должны соответствовать всем регуляторным требованиям, применимым в каждой стране на Территории. Исполнитель, который окажет услуги по разработке [*] Соединения до [*] и [*] должены быть определены Комитетом по разработкам на Территории. Такие работы по разработке [*]. Все изобретения, разработанные в процессе такой работы («[*]») должны быть [*] и [*]

of such work ("[*]") shall be [*], and [*] shall execute and deliver such documents as are necessary to confirm such ownership; provided, however, that if [*] requires [*] for [*], [*] would [*] and [*] and [*] would [*] and [*]. If preclinical and clinical studies are deemed necessary by Territory Development Committee for the appropriate development of [*] the Product in the respective territories, the Parties shall [*]; and

должна подписать и предоставить все документы, необходимые для подтверждения такого права собственности, при условии, однако, что если [*] будет предъявлено требование о том, [*] [*] будет [*], а [*] будет [*]. Если доклинические и клинические исследования, признаются необходимыми Комитетом по разработкам на Территории для разработки [*] Продукта на соответствующих территориях, каждая из Сторон [*]; и

(b) If such trials are required by Regulatory Authorities in the Territory, manage and conduct Phase II and Phase III clinical trials which, under the Global Development Plan, are to be conducted in the Territory, it being acknowledged and agreed that such trials shall be designed to also meet R-Pharm's obligations under the Territory Development Plan.

(b) если такие исследования требуются Регулирующими органами на Территории, организовывать и осуществлять клинические исследования Фазы II и Фазы III, которые, согласно Глобальному плану разработок, должны осуществляться на Территории, при этом согласовано и признано, что указанные испытания должны быть организованы таким образом, чтобы также соответствовать обязательствам «Р-Фарм» по Плану разработок на Территории.

(c) Upon Scynexis's request, provide to Scynexis copies of all primary and secondary pre-clinical pharmacological, toxicological, formulation and stability data, either in the Field or outside the Field but having utility in the Field, relating to the development and commercialization of the Product, that comes into R-Pharm's possession and control during the term of this Agreement. If such data is used in any regulatory filing, Scynexis shall inform R-Pharm of such use;

(c) По запросу компании «Сайнексис» предоставлять компании «Сайнексис» копии всех первичных и вторичных доклинических фармакологических, токсикологических, относящихся к рецептуре и стабильности данных, как в Сфере применения, так и за пределами Сферы применения, но полезных для Сферы применения, относящихся к разработке и коммерческой реализации Продукта, которые поступают во владение и под контроль компании «Р-Фарм» на протяжении срока действия настоящего Соглашения. Если такие данные использованы компанией «Сайнексис» для подачи заявлений о получении любых документов, подаваемых в целях регулирования, компания «Сайнексис» обязана проинформировать компанию «Р-Фарм» о таком использовании ;

4.4 *Scynexis Activities.* In support of the Territory Development Plan, Scynexis shall:

(a) Promptly after the Effective Date, via access to an electronic data room with the rights to download, save and print all the documents, provide to R-Pharm access to currently existing information regarding the Product, consisting of the United States IND package, Phase I data and supporting pre-clinical information, copies of all (or relevant portions of) primary and secondary pre-clinical pharmacological, toxicological, formulation and stability data, either in the Field or outside the Field but having utility in the Field, relating to the development and commercialization of the Product, in Scynexis' possession and control (including, without limitation, such data, studies and materials of Strategic Partners, to the extent Scynexis has the right to provide same to R-Pharm);

(b) Upon R-Pharm's request, via access to an electronic data room with the rights to download, save and print all the documents, provide to R-Pharm copies of all primary and secondary pre-clinical pharmacological, toxicological, formulation and stability data, either in the Field or outside the Field but having utility in the Field, relating to the development and commercialization of the Product, that comes into Scynexis' possession and control during the term of this Agreement (including, without limitation, such data, studies and materials of

4.4 *Деятельность компании «Сайнексис».* В поддержку Плана разработок на Территории компания «Сайнексис» должна:

(a) Незамедлительно после Даты вступления в силу посредством доступа к электронной комнате данных с правами выгружать, сохранять и печатать все документы предоставить компании «Р-Фарм» доступ к существующей в настоящее время информации относительно Продукта, состоящей из комплекта Заявки IND, применяемой в США, данных Фазы I и вспомогательной доклинической информации, копий всех (или соответствующей части) первичных и вторичных доклинических фармакологических, токсикологических, относящихся к рецептуре и стабильности данных, как в Сфере применения, так и за пределами Сферы применения, но полезных для Сферы применения, относящихся к разработке и коммерческой реализации Продукта, которые находятся во владении и под контролем компании «Сайнексис» (включая, в частности, соответствующие данные, исследования и материалы Стратегических партнеров, в той мере, в которой «Сайнексис» имеет право предоставить их компании «Р-Фарм»);

(b) По запросу компании «Р-Фарм» посредством доступа к электронной комнате данных с правами выгружать, сохранять и печатать все документы предоставлять компании «Р-Фарм» копии всех первичных и вторичных доклинических фармакологических, токсикологических, относящихся к рецептуре и стабильности данных, как в Сфере применения, так и за пределами Сферы применения, но полезных для Сферы применения, относящихся к разработке и коммерческой реализации Продукта, которые поступают во владение и

Strategic Partners, to the extent Scynexis has the right to provide same to R-Pharm);

под контроль компании «Сайнексис» на протяжении срока действия настоящего Соглашения (включая, в частности, соответствующие данные, исследования и материалы Стратегических партнеров, в той мере, в которой «Сайнексис» имеет право предоставить их компании «Р-Фарм»);

(c) Supply R-Pharm or its designee(s) with sufficient quantities of Product, manufactured in accordance with cGMP and the Product Specifications, to complete all pre-clinical and clinical studies and all development, analysis, regulatory support, manufacturing and all other Registration-related activities with respect to the Product in which R-Pharm is required to engage by applicable law or regulation until the commercial launch. Sufficient Product to complete Phase II clinical trials and sufficient Compound to complete [*] work pursuant to Section 4.3(a) above shall be supplied [*]. Compound or Product for all other purposes shall be supplied to R-Pharm by Scynexis [*]; and

(c) Поставлять компании «Р-Фарм» или ее назначенному лицу (назначенным лицам) достаточные количества Продукта, произведенного в соответствии с правилами cGMP и Спецификациями Продукта, в целях доведения до конца всех доклинических и клинических исследований, а также всех видов деятельности по разработке, анализу, поддержке регулирования, производству, и всех прочих видов деятельности, связанных с Регистрацией в отношении Продукта, которыми компания «Р-Фарм» должна заниматься в силу требований применяемых законов или норм до коммерческого выхода на рынок. Количество Продукта, достаточное для выполнения Фазы II клинических исследований и количество Соединения, необходимое для завершения [*] в соответствии с п. 4.3 (а) выше, должно быть предоставлено [*]; Соединение или Продукт для иных целей должны поставляться компанией «Сайнексис» «Р-Фарм» [*]; и

(d) Negotiate in good faith with Scynexis' licensor, other strategic partners and/or licensees for the Product (collectively, "Strategic Partners") that are relevant to obtain the right (i) to disclose to R-Pharm all Strategic Partners' or Third Party data or information owned by such Strategic Partners that this Agreement contemplates will be shared with R-Pharm to the extent that Scynexis has the right to do so, and (ii) to grant R-Pharm the right to cross-reference regulatory filings owned by such Strategic Partners that are relevant to R-Pharm's obligations under the

(d) Добросовестно вести переговоры с лицензиаром компании «Сайнексис», другими стратегическими партнерами и/или лицензиатами Продукта (совместно именуемыми «Стратегические партнеры»), имеющими отношение к обеспечению права (i) на раскрытие компании «Р-Фарм» всех данных или сведений Стратегических партнеров или Третьих сторон, которые принадлежат указанным Стратегическим партнерам и которые, как предусматривает настоящее Соглашение, будут использоваться совместно с «Р-Фарм», в той мере, в которой

Territory Development Plan.

«Сайнексис» имеет право на указанные действия, и (ii) на предоставление компании «Р-Фарм» права перекрестной ссылки на документы, поданные в целях регулирования, которые принадлежат указанным Стратегическим партнерам и имеют отношение к обязательствам «Р-Фарм» по Плану разработок на Территории.

4.5 *Regulatory Matters.*

4.5 *Вопросы регулирования.*

(a) R-Pharm shall be responsible for preparing and filing INDs, Registration Applications and other regulatory filings for the Product in each country in the Territory through and including Registration, and thereafter shall be responsible for maintaining such Registrations. If data originating from Scynexis is used in any regulatory filing, R-Pharm shall inform Scynexis of such use. All such filings shall be in R-Pharm' name. R-Pharm shall also obtain any export approvals required by the Regulatory Authorities to export Product among the countries of the Territory;

(a) Компания «Р-Фарм» отвечает за подготовку и подачу всех Заявок IND, Заявок на регистрацию и прочих документов, подаваемых в целях регулирования, в отношении Продукта в каждой стране на Территории, вплоть до Регистрации включительно, а в последующем отвечает за поддержание в силе указанных Регистраций. Если данные, исходящие от компании «Сайнексис» использованы для подачи заявлений на получений каких-либо документов, подаваемых в целях регулирования, компания «Р-Фарм» обязана информировать компанию «Сайнексис» о таком использовании. Все указанные документы подаются от имени компании «Р-Фарм». Компания «Р-Фарм» должна также обеспечить любые экспортные разрешения, затребованные Регулирующими органами, в целях экспорта Продукта в страны, расположенные на Территории;

(b) R-Pharm or, where required by applicable law, its designees(s) shall own all INDs, Registration Applications, Registrations and other regulatory filings for the Product in each country in the Territory;

(b) Компания «Р-Фарм» или, в случаях, когда этого требует соответствующий закон, ее назначенное лицо (назначенные лица) являются владельцами всех Заявок IND, Заявок на регистрацию, Регистраций и прочих документов, подаваемых в целях регулирования, в отношении Продукта в каждой стране на Территории.

(c) In order to assist R-Pharm in

(c) В целях содействия компании «Р-Фарм» при выполнении ее обязательств по

the performance of its obligations under this Section 4.5, Scynexis shall provide R-Pharm or its designee(s), via access to an electronic data room with the rights to download, save and print all the documents, with complete copies (or copies of relevant portions) of, and shall grant R-Pharm or its designee(s) the right to cross-reference, all of Scynexis' and its Strategic Partners' (to the extent Scynexis has the right to provide such information to R-Pharm) INDs, registration applications, registrations or other regulatory filings made or held in any country for all products that contain the Compound as an active ingredient. Scynexis shall execute, acknowledge and deliver such further instruments, and shall do all such other acts, reasonably promptly after R-Pharm's request therefor, that may be necessary or appropriate to effectuate such right; and

настоящему Пункту 4.5, компания «Сайнексис» должна предоставить компании «Р-Фарм» или ее назначенному лицу (назначенным лицам) посредством доступа к электронной комнате данных с правами выгружать, сохранять и печатать все документы полные копии (или копии соответствующих частей) нижеуказанных документов, и должна предоставить компании «Р-Фарм» или ее назначенному лицу (назначенным лицам) право перекрестной ссылки на все принадлежащие компании «Сайнексис» и ее Стратегическим партнерам (в той мере, в которой «Сайнексис» имеет право предоставлять компании «Р-Фарм» указанную информацию) заявки IND, заявки на регистрацию, документы о регистрации или иные документы в целях регулирования, поданные или хранящиеся в любой стране для всех продуктов, содержащих Соединение в качестве активного ингредиента. Компания «Сайнексис» должна оформить, подтвердить и представить такие дополнительные документы, и должна осуществить все прочие действия, с разумно необходимой быстротой после соответствующего запроса «Р-Фарм», которые могут быть необходимы или уместны для осуществления указанного права; и

(d) R-Pharm shall provide Scynexis with complete copies (or copies of relevant portions) of, and shall grant Scynexis the right to cross reference any INDs, Registration Applications, Registrations or other related data or regulatory filings made or held in each country in the Territory in the name of R-Pharm (or that of its Affiliates), reasonably necessary or useful to enable Scynexis to market products either within the Territory and outside the Field, or outside the Territory. R-Pharm shall execute, acknowledge and deliver such further

(d) компания «Р-Фарм» должна предоставить компании «Сайнексис» полные копии (или копии соответствующих частей) и право ссылаться на следующие документы: любые Заявки IND, Заявки на регистрацию, документы о Регистрации или иные сопутствующие данные или документы в целях регулирования, поданных или хранящихся в любой стране на Территории от имени компании «Р-Фарм» (или ее Аффилированных лиц), разумно необходимые или пригодные для того, чтобы предоставить компании «Сайнексис»

instruments, and shall do all such other acts, all as promptly as possible after Scynexis' request therefor, that may be necessary or appropriate to effectuate such right in each such country. R-Pharm shall also provide such copies and such right to cross reference to any Strategic Partner that grants R-Pharm or its designee(s) the right to cross reference such Strategic Partner's INDs, registration application or other regulatory filings made or held in any country for products that contain the Compound as an active ingredient. If such data is used in any regulatory filing, Scynexis shall inform R-Pharm of such use.

возможность маркетинга продуктов либо в пределах Территории и за пределами Сферы применения, либо за пределами Территории. Компания «Р-Фарм» также должна предоставить такие копии и такое право ссылаться любому Стратегическому партнеру, который предоставляет компании «Р-Фарм» или ее назначенным лицам право ссылаться на любые Заявки IND, Заявки на регистрацию, документы о Регистрации или иные сопутствующие данные или документы в целях регулирования, поданных или хранящихся в любой стране от имени такого Стратегического партера на продукты, содержащие Соединение как активный ингредиент. Если такие данные использованы компанией «Сайнексис» для подачи заявлений о получении любых документов, подаваемых в целях регулирования, компания «Сайнексис» обязана проинформировать компанию «Р-Фарм» о таком использовании.

(e) R-Pharm shall keep Scynexis informed as to the status of all regulatory filings made pursuant to this Section 4.5, shall permit Scynexis to review any revisions to any filings or communications with Regulatory Authorities during their preparation and shall confer with Scynexis regarding the preparation of such filings, communications with Regulatory Authorities and other matters pertaining to or affecting the registration process.

(e) Компания «Р-Фарм» должна держать компанию «Сайнексис» в курсе положения дел с представлением всех документов в целях регулирования, осуществляемым согласно настоящему Пункту 4.5, должна позволять компании «Сайнексис» рассматривать любые версии любых представляемых документов или сообщений для Регулирующих органов в ходе их подготовки, и должна советоваться с «Сайнексис» по поводу подготовки указанных представляемых документов, сообщений для Регулирующих органов и иных вопросов, относящихся к процессу регистрации или воздействующих на него.

(f) In connection with any IND or Registration Application filed by R-Pharm pursuant to this Section 4.5, R-Pharm shall notify Scynexis as soon as reasonably possible of any meeting with the Regulatory Authority in any country in the Territory scheduled by R-

(f) В связи с любой Заявкой IND или Заявкой на регистрацию, поданной компанией «Р-Фарм» в соответствии с настоящим Пунктом 4.5, компания «Р-Фарм» должна в кратчайший возможный срок уведомить компанию «Сайнексис» о любом

Pharm (which notification shall describe the subject matter of any such meeting), shall permit Scynexis to assist R-Pharm in the preparation for any such meeting, shall permit Scynexis to accompany R-Pharm to any such meeting and, if Scynexis does not attend, shall promptly report to Scynexis in writing the minutes of any such meeting. .

совещании с Регулирующим органом в любой стране на Территории, которое было запланировано компанией «Р-Фарм» (в указанном уведомлении должна быть описана тема любого подобного совещания), должна разрешить компании «Сайнексис» содействовать «Р-Фарм» при подготовке к любому подобному совещанию, должна разрешить компании «Сайнексис» сопровождать «Р-Фарм» на любом подобном совещании, а в случае отсутствия компании «Сайнексис» на совещании компания «Р-Фарм» должна незамедлительно представлять компании «Сайнексис» в письменном виде протокол любого подобного совещания.

4.6 *Funding.*

(a) Except as otherwise expressly provided in this Agreement, each Party shall bear the entire cost and expense it incurs in connection with fulfillment of its obligations under this Section 4.

4.6 *Выделение денежных средств.*

(a) За исключением случаев, когда иное предусмотрено явно в настоящем Соглашении, каждая Сторона берет на себя все расходы и издержки, которым она подвергается в связи с выполнением своих обязательств по настоящей Статье 4.

4.7 *Liability.* R-Pharm shall be responsible for, and hereby assumes, any and all risks of personal injury or property damage incurred due to R-Pharm's fault in connection with the Territory Development Plan and R-Pharm's work under the Global Development Plan in the Territory.

4.7 *Ответственность.* Компания «Р-Фарм» отвечает за все нижеуказанные происшествия и настоящим принимает на себя все и любые риски причинения ущерба, наносимого здоровью личности, или имущественного ущерба, который может быть понесен по вине компании «Р-Фарм» в связи с Планом разработок на Территории и работой компании «Р-Фарм» по Глобальному плану разработок на Территории.

4.8 *Failure to Progress Development.* In the event Scynexis determines R-Pharm has not made reasonably sufficient progress in the development and commercialization of the Product in any country of the Territory in a manner consistent with its obligations under Section 4, and such failure to make sufficient progress is due to a failure of R-Pharm to apply sufficient financial resources and/or sufficient qualified personnel to the project, then Scynexis shall notify R-Pharm of such determination in writing. R-Pharm shall have

4.8. *Недостижение прогресса в разработке.* В случае принятия компанией «Сайнексис» решения о том, что компания «Р-Фарм» не достигла разумно обоснованно существенных успехов при разработке и коммерческой реализации Продукта в какой-либо стране на Территории способом, совместимым с обязательствами «Р-Фарм» по Статье 4, и такое недостижение имело место в силу того,

[*] from receipt of such determination to develop a plan reasonably acceptable to Scynexis to correct such deficiencies. In the event that R-Pharm fails to develop such plan or fails to meet the terms of such plan, Scynexis shall send written notice of its concerns to the Territory Development Committee which shall promptly develop a plan to remedy the situation. If R-Pharm does not implement the plan of the Territory Development Committee, or the implementation fails to remedy the situation to the satisfaction of Scynexis, the CEO of Scynexis and the CEO of R-Pharm shall meet to attempt to resolve the situation. If the CEOs of Scynexis and R-Pharm are unable to resolve the situation, then Scynexis shall have the right, at its option and discretion, to terminate this Agreement pursuant to Section 12.2 or to terminate the license rights granted to R-Pharm in such country; provided, however in the event of such termination by Scynexis, if R-Pharm disputes the terminaton of the Agreement or license rights, R-Pharm shall have the right to avail itself of the dispute resolution procedures set forth in Section 15.13. [*] shall [*] with regard to the development and commercialization of the Product in the country in which the Agreement or license rights were terminated.

что компанией «Р-Фарм» не были использованы достаточные финансовые ресурсы и/или достаточно квалифицированный персонал для проекта, компания «Сайнексис» уведомляет компанию «Р-Фарм» о таком решении в письменной форме. Компания «Р-Фарм» в течение [*] с даты получения такого уведомления разрабатывает план корректировки таких недоработок, обоснованно приемлемый для компании «Сайнексис».В случае если компания «Р-Фарм» не сможет разработать такой план или не выполнит условия такого плана, компания «Сайнексис» обязана направить уведомление о своих опасениях в Комитет по разработкам на Территории, который должен немедленно разработать план по исправлению ситуации. В случае, если компания «Р-Фарм» не внедрит план, разработанный Комитетом по разработкам на Территории, или такое внедрение не приведет к исправлению ситуации к удовлетворению компании «Сайнексис», Главный исполнительный директор «Сайнексис» и Генеральный директор «Р-Фарм» должны встретиться для разрешения ситуации. В случае если Главный исполнительный директор «Сайнексис» и Генеральный директор «Р-Фарм» не смогут урегулировать ситуацию, компания «Сайнексис» по своему выбору и усмотрению, вправе прекратить действие настоящего Соглашения в соответствии со Статьей 12.2 или прекратить действие лицензий, предоставленных компании «Р-Фарм» в такой стране; при условии, однако, что в случае такого прекращения со стороны «Сайнексис», если компания «Р-Фарм» оспаривает прекращение Соглашения или лицензий, компания «Р-Фарм» вправе воспользоваться процедурой разрешения споров, приведенной в Статье 15.13. [*] обязана [*], понесенные в связи с разработкой и коммерческой реализацией Продукта в стране, в которой Соглашение

4.9 *Transfer of Development/Regulatory Documents and Licensed Technology*.

(a) Within [*] of the Effective Date, the Parties shall enter into a Technology Transfer Plan detailing the transfer of development/regulatory documents and Licensed Technology («Technology Transfer Plan»).

(b) By posting in an electronic data room, and providing access to such data room to R-Pharm, Scynexis shall provide R-Pharm with all existing development and regulatory information relevant to the safety and/or efficacy of the Compound and/or Product, Licensed Technology in the possession or control of Scynexis, which Scynexis has the right to make available to R-Pharm, as well as all such information and Licensed Technology as and when it comes into the possession or control of Scynexis during the Term of this Agreement, in the form of copies of electronic data, relevant documents, and where reasonably necessary, raw data and access to persons with knowledge of such Licensed Technology who are employees or contractors of Scynexis. For a period of one year following the Effective Date, and upon reasonable notice to Scynexis, R-Pharm and its representatives shall be afforded reasonable access during normal business hours, or such other hours as are reasonable under the circumstances, to examine records and documents in Scynexis's possession that are reasonably required or useful for R-Pharm to complete its development and regulatory activities under the Agreement. Scynexis is to provide R-Pharm an access to the Global Patient Safety and Global Regulatory Affairs personnel.

или лицензии были прекращены.

4.9. *Трансфер Документов по разработке/Регуляторных документов и Лицензированной технологии.*

(a) В течение [*] с Даты вступления в силу, Стороны должны заключить План передачи технологий («**План передачи технологий**»), определяющий передачу документов по разработке/регуляторных документов и Лицензированной технологии.

(b) С помощью размещения в электронной комнате данных и путем предоставления компании «Р-Фарм» доступа к электронной комнате данных, компания «Сайнексис» должна предоставить компании «Р-Фарм» всю существующую документацию по разработке/регуляторную документацию связанную с безопасностью и/или эффективностью Соединения и/или Продукта, Лицензированной технологии, которые находятся во владении или под контролем компании «Сайнексис» и которые компания «Сайнексис» вправе передать компании «Р-Фарм», так же как и информацию и Лицензированную технологию, которые компания «Сайнексис» получит в течение срока действия настоящего Соглашения в форме копий электронных документов, соответствующих документов и там, где это обоснованно необходимо, первичные данные и доступ к лицам, обладающим знанием Лицензированной технологии, которые являются работниками или контрагентами компании «Сайнексис». В течение 1 года, следующего за Датой вступления в силу и по обоснованному уведомлению в адрес компании «Сайнексис» компания «Р-Фарм» и ее представители вправе получить доступ в течение обычного рабочего времени или иного времени, если это обоснованно в связи с существующими обстоятельствами, к проверке документов и записей, находящихся во владении «Сайнексис», которые обоснованно

(c) By posting in the electronic data room, R-Pharm shall provide Scynexis with all development and regulatory information relevant to the safety and/or efficacy of the Compound and/or Product, as and when it comes into the the possession or control of R-Pharm during the Term of this Agreement, in the form of copies of electronic data, relevant documents, and where reasonably necessary, raw data and access to persons with knowledge of such Licensed Technology who are employees or contractors of R-Pharm. For a period of one year following the Effective Date, and upon reasonable notice to R-Pharm, Scynexis and its representatives shall be afforded reasonable access during normal business hours, or such other hours as are reasonable under the circumstances, to examine records and documents in R-Pharm's possession that are reasonably required or useful for Scynexis to complete its development and regulatory activities with respect to the Compound. R-Pharm is to provide Scynexis access to its Patient Safety and Regulatory Affairs personnel;

(c) С помощью размещения в электронной комнате данных и путем предоставления компании «Сайнексис» доступа к электронной комнате данных, компания «Р-Фарм» должна предоставить компании «Сайнексис» всю существующую документацию по разработке/регуляторную документацию связанную с безопасностью и/или эффективностью Соединения и/или Продукта, Лицензированной технологии, которые находятся во владении или под контролем компании «Р-Фарм», и которые компания «Р-Фарм» получит в течение срока действия настоящего Соглашения в форме копий электронных документов, соответствующих документов и там, где это обоснованно необходимо, первичные данные и доступ к лицам, обладающим знанием Лицензированной технологии, которые являются работниками или контрагентами компании «Р-Фарм». В течение 1 года, следующего за Датой вступления в силу и по обоснованному уведомлению в адрес компании «Р-Фарм» компания «Сайнексис» и ее представители вправе получить доступ в течение обычного рабочего времени или иного времени, если это обоснованно в связи с существующими обстоятельствами, к проверке документов и записей, находящихся во владении «Р-Фарм», которые обоснованно необходимы и полезны компании «Сайнексис» для завершения деятельности по разработке или регуляторной деятельности в в отношении Соединения. Компания «Р-Фарм» предоставляет компании «Сайнексис» доступ к Системе безопасности пациентов и

персоналу отдела Регуляторной деятельности.

(d) Further, the Parties shall post minutes of the Territory Development Committee meetings and Scynexis shall post minutes of the Global Development Committee in such data room.

(d) Далее Стороны должны разместить протокол заседания Комитета по разработкам на Территории и «Сайнексис» должен разместить протокол Комитета Глобальных Исследований в электронной комнате данных.

4.10 *Research and Development Materials*. Within [*] of R-Pharm's request Scynexis shall provide R-Pharm with the Compounds and/or Product and analytical reference standards required for the regulatory submission within the Territory.

4.10 *Материалы по исследованию и разработке*. В течение [*] с момента запроса компании «Р-Фарм» компания «Сайнексис» должна предоставить компании «Р-Фарм» Соединение и/или Продукт аналитические стандарты, требуемые для регуляторных подач на Территории.

4.11 *Technology Transfer for Final Dosage Forms, Fill&Finish at the stage of Commercialization*.

4.11 *Передача технологии для Готовых лекарственных форм, Окончательной фасовки на стадии коммерциализации*.

(a) Scynexis shall provide R-Pharm with the Licensed Technology required or useful for manufacturing final dosage forms /fill&finish for [*], developed by Scynexis or in Scynexis's possession or control which Scynexis is permitted to share with R-Pharm.

(a) Компания «Сайнексис» обязана предоставить компании «Р-Фарм» Лицензированную технологию, необходимую и достаточную для производства готовых лекарственных форм / окончательной фасовки для [*], разработанной компанией «Сайнексис» или которой компания «Сайнексис» пользуется или распоряжается и имеет полномочия для передачи «Р-Фарм».

(b) Scynexis will endeavor to provide R-Pharm expertise and reasonable assistance as may be requested by R-Pharm to achieve its manufacturing objectives related to the [*] /fill&finish manufacturing within the Territory. Such assistance may be provided either directly or through Scynexis' vendors or sub-contractors.

(b) Компания «Сайнексис» будет стремиться предоставить компании «Р-Фарм» компетентную и обоснованную помощь, как может потребоваться компании «Р-Фарм» для достижения производственных целей, относящихся к готовым лекарственным формам / окончательной фасовке для [*] на Территории. Такая помощь может предоставляться как самой компанией «Сайнексис», так и ее подрядчиками.

(c) R-Pharm is to provide Scynexis with the technology and R-Pharm Know-How required or useful for manufacturing final dosage forms /fill&finish for [*], developed by

(c) Компания «Р-Фарм» обязуется предоставить компании «Сайнексис» технологию и Ноу-Хау «Р-Фарм», необходимые и достаточные для производства готовых лекарственных форм /

R-Pharm or in R-Pharm's possession or control which R-Pharm is permitted to share with Scynexis.

окончательной фасовки для [*], разработанные компанией «Р-Фарм» или которыми компания «Р-Фарм» пользуется или распоряжается и имеет полномочия для передачи компании «Сайнексис».

(d) R-Pharm will endeavor to provide Scynexis expertise and reasonable assistance as may be requested by Scynexis to achieve its manufacturing objectives related to the [*] /fill&finish manufacturing outside the Territory. Such assistance may be provided either directly or through R-Pharm' vendors or sub-contractors.

(d)Компания «Р-Фарм» будет стремиться предоставить компании «Сайнексис» компетентную и обоснованную помощь, как может потребоваться компании «Сайнексис» для достижения производственных целей, относящихся к готовым лекарственным формам / окончательной фасовке для [*] на Территории. Такая помощь может предоставляться как самой компанией «Р-Фарм», так и ее подрядчиками.

4.12 *Technology Transfer Management.*

(a) Each Party shall assign an expert, responsible for the coordination and management of the Technology Transfer process, e.g., an Alliance Manager/Director.

(b) Alliance Managers/Directors from both sides are to be responsible for developing a detailed Technology Transfer Plan, approval of such plan within the Parties, execution of the Technology Transfer Plan, and coordination on any aspects of collaboration between the Parties. Such coordination includes, but is not limited to communication between appropriate expert groups within the Parties, and coordination of the meetings between the expert groups.

4.12 *Управление передачей технологии.*
Каждая Сторона должна назначить эксперта, ответственного за координацию и управление процессом передачу технологии, например, партнерского менеджера/директора.
Партнерские менеджеры/Директора с обеих Сторон несут ответственность за резработку детализированного Плана передачи технологий, одобрение указанного Плана Сторонами, исполнение Плана передачи технологий координацию любых аспекто взаимодействия между Сторонами. Такое взаимодействие включает, но не ограничивается, взаимодействием между экспертными группами внутри Сторон, координация встреч между экспертными группами.

5. GRANT OF RIGHTS; MARKETING

5. ПРЕДОСТАВЛЕНИЕ ПРАВ; МАРКЕТИНГ.

5.1 *Development License.* Scynexis hereby grants to R-Pharm, during the term of the Territory Development Plan, such exclusive rights under the Patents, Scynexis' interest in Joint Patent Rights, both valid as of

5.1 *Лицензия на разработку.* Компания «Сайнексис» настоящим предоставляет компании «Р-Фарм», на протяжении Срока действия настоящего Соглашения, исключительные права в отношении Патентов, прав «Сайнексис» в

the Effective date of this Agreement and as are created within the Term of this Agreement, in the Field, in the Territory, to conduct the Territory Development Plan and to meet its obligations under the Global Development Plan. Scynexis hereby grants to R-Pharm a non-exclusive, royalty-bearing license under the Scynexis Know-How and Scynexis's interest in the Joint Know-How, both valid as of the Effective date of this Agreement and as are created within the Term of this Agreement, to conduct the Territory Development Plan and to meet its obligations under the Global Development Plan. The foregoing licenses shall include the right to grant sublicenses to the extent necessary to allow R-Pharm to meet R-Pharm's obligations under the Territory Development Plan or the Global Development Plan.

Совместных патентных правах как действующих на Дату вступления в силу настоящего соглашения, так и созданных в течение срока действия настоящего Соглашения, в Сфере действия, на Территории, для осуществления Плана разработок на Территории и для выполнения обязательств «Р-Фарм» по Глобальному плану разработок. «Сайнексис» настоящим предоставляет компании «Р-Фарм» неисключительную лицензию с уплатой роялти по Ноу-хау «Сайнексис» и правам «Сайнексис» в Совместном Ноу-Хау как действующих на Дату вступления в силу настоящего соглашения, так и созданных в течение срока действия настоящего Соглашения, для осуществления Плана разработок на Территории и для выполнения обязательств «Р-Фарм» по Глобальному плану разработок. Вышеупомянутые лицензии включают в себя право предоставления сублицензий в пределах, необходимых для того, чтобы позволить компании «Р-Фарм» выполнить свои обязательства в соответствии с Планом разработок на Территории или Глобальным планом разработок.

5.2 *Commercialization License*. Scynexis hereby grants to R-Pharm an exclusive (even as to Scynexis), royalty-bearing license under the Patents, Scynexis's interest in any Joint Patent Rights, both valid as of the Effective date of this Agreement and as are created within the Term of this Agreement to research, develop, use, make or have made (from Compound supplied by Scynexis or its licensee), offer to sell, sell, market, distribute, export within the Territory and/or import the Product for use in the Field in the Territory during the Term of this Agreement. Scynexis hereby grants to R-Pharm a non-exclusive, royalty-bearing license under the Scynexis Know-How and Scynexis's

5.2 *Лицензия на коммерческую реализацию.* Компания «Сайнексис» настоящим предоставляет компании «Р-Фарм» исключительную (даже в отношении «Сайнексис») лицензию с уплатой роялти в отношении Патентов, прав «Сайнексис» в отношении любых Совместных патентных прав как действующих на Дату вступления в силу настоящего соглашения, так и созданных в течение срока действия настоящего Соглашения, на исследование, разработку, использование, изготовление или осуществленное изготовление (из Соединения, поставленного компанией «Сайнексис» или ее лицензиатами), предложение для продажи, продажу, вывод

interest in the Joint Know-How, to research, develop, use, make or have made (from Compound supplied by Scynexis or its licensee), offer to sell, sell, market, distribute, export within the Territory and/or import the Product for use in the Field in the Territory during the Term. With respect to any Patent that may issue in any country within the Territory during the term of this Agreement, a statement referencing the exclusive license granted to R-Pharm pursuant to this Section shall, to the extent required by applicable laws or regulations, be registered with the patent office or other such government agency in such country at R-Pharm's cost, as soon as is practically possible after the issuance of the respective Patent. Scynexis hereby agrees that it will execute such documents and instruments as may be required to effect the registration of such statement and otherwise cooperate with R-Pharm in connection with the registration of such statement as aforesaid. Without derogating from the foregoing, each Party agrees, without demanding any further consideration, to execute all documents reasonably requested by the other Party (including short-form agreements) to effect recordation of the license relationship between the Parties created by this Agreement, to the extent required by applicable laws or regulations. The foregoing licenses shall include the right to (i) sublicense to Third Party manufacturers, (ii) sublicense to Affiliates and (iii) subject to the prior written consent of Scynexis, sublicense to other Third Parties.

на рынок, дистрибьюцию, экспорт в пределах Территории и/или импорт Продукта для использования в Сфере применения на Территории на протяжении Срока действия настоящего Соглашения. «Сайнексис» настоящим предоставляет компании «Р-Фарм» неисключительную лицензию с уплатой роялти по Ноу-хау «Сайнексис» и правам «Сайнексис» в отношении Совместных Ноу-Хау на исследование, разработку, использование, изготовление или осуществленное изготовление (из Соединения, поставленного компанией «Сайнексис» или ее лицензиатами), предложение для продажи, продажу, вывод на рынок, дистрибьюцию, экспорт в пределах Территории и/или импорт Продукта для использования в Сфере применения на Территории на протяжении Срока действия. В отношении любого Патента, который может возникнуть в любой стране в пределах Территории на протяжении срока действия настоящего Соглашения, заявление, ссылающееся на исключительную лицензию, предоставленную компании «Р-Фарм» на основании настоящего Пункта, должно, в той мере, в которой этого требуют соответствующие законы или нормы, быть зарегистрировано в патентном бюро или ином аналогичном государственном учреждении в указанной стране за счет «Р-Фарм», в кратчайший осуществимый срок после выдачи соответствующего Патента. Компания «Сайнексис» настоящим соглашается с тем, что она оформит документы и инструменты, которые могут потребоваться для осуществления регистрации указанного заявления, и в ином отношении будет сотрудничать с «Р-Фарм» в связи с вышеуказанной регистрацией указанного заявления. Не отменяя вышеизложенного, каждая Сторона соглашается, не требуя никакого дополнительного вознаграждения, оформлять

все документы, обоснованно затребованные другой Стороной (включая краткие формы соглашения) для осуществления регистрации лицензионных договорных отношений между Сторонами, созданных настоящим Соглашением, в той мере, в которой этого требуют соответствующие законы или нормы. Вышеупомянутые лицензии включают в себя право (i) предоставления сублицензий Третьим сторонам производителям, (ii) предоставления сублицензий Аффилированным лицам и (iii) предоставления сублицензий любым Третьим сторонам при условии предварительного письменного согласия компании «Сайнексис».

5.3 *Commercialization License Limitation*. Notwithstanding the foregoing, Scynexis' retains its exclusive right to manufacture the Compound. R-Pharm acknowledges that this Agreement does not grant R-Pharm a license to use the Licensed Technology to manufacture the Compound after the commercial launch of the Product. Any efforts of R-Pharm to manufacture the Compound shall constitute a material breach of this Agreement permitting Scynexis the right, at its option and discretion, to immediately terminate this Agreement pursuant to Section 12.2.

5.3. *Ограничение лицензии на коммерциализацию*. Вне зависимости от вышеизложенного компания «Сайнексис» сохраняет исключительное право на производство Соединения. Компания «Р-Фарм» признает, что настоящее Соглашение не предоставляет компании «Р-Фарм» право использовать Лицензированную технологию для производства Соединения после коммерческого запуска Продукта. Любые усилия компании «Р-Фарм» по производству Соединения представляют собой существенное нарушение Соглашения, предоставляющее компании «Сайнексис» право, по ее усмотрению, немедленно расторгнуть настоящее Соглашение в соответствии со Статьей 12.2.

5.4 *Covenant Not to Further License in Territory in Field*. Scynexis hereby covenants and agrees that it shall not grant any right or license to any Third Party under the Scynexis Know-how or Scynexis's interest in any Joint Know-how, to research, develop, use, make, have made, offer to sell, sell, export within the Territory and/or import the Product for use in the Field in the Territory during the Term.

5.4 *Обязательство не предоставлять дополнительные лицензии на Территории в Сфере применения.* Компания «Сайнексис» настоящим обязуется и соглашается на предоставлять никаких прав или лицензий никакой Третьей стороне по Ноу-хау «Сайнексис» или правам «Сайнексис» на Совместное Ноу-Хау на исследование, разработку, использование, изготовление,

Scynexis hereby covenants and agrees that it shall not use by itself the Scynexis Know-how or Scynexis's interest in any Joint Know-how for the purpose of research, development, usage, making, having made, offering to sell, sale export within the Territory and/or import the Product for use in the Field in the Territory during the Term. Provided, however, Scynexis may grant licenses to Third Parties for the Scynexis Know-how, and may use by itself, the Scynexis Know-how, solely for the purposes of implementing the Territory Development Plan.

осуществленное изготовление, предложение для продажи, продажу, экспорт в пределах Территории и/или импорт Продукта для использования в Сфере применения на Территории на протяжении Срока действия. Компания «Сайнексис» настоящим обязуется и соглашается на использовать самостоятельно Ноу-хау «Сайнексис» или права «Сайнексис» на Совместное Ноу-Хау для целей исследования, разработки, использования, изготовления, осуществленного изготовления, предложения для продажи, продажи, экспорта в пределах Территории и/или импорта Продукта для использования в Сфере применения на Территории на протяжении Срока действия. При этом компания «Сайнексис» вправе предоставлять лицензии на Ноу-Хау «Сайнексис» Третьим Сторонам и может использовать Ноу-Хау «Сайнексис» самостоятельно только для целей внедрения Плана разработки на Территории.

5.5 R-Pharm and its Affiliates shall not, and shall use commercially reasonable efforts to ensure that their Agents and representatives do not, practice or sublicense Scynexis Patent Rights and/or Scynexis Know-how outside the scope of the license granted in this Section 5.

5.5. Компания «р-Фарм» и ее Аффилированные лица не должны самостоятельно и должны использовать все коммерчески обоснованные усилия, чтобы обеспечить, что их Агенты и представители не используют и не передают по сублицензии Патентные права «Сайнексис» и/или «Ноу-Хау «Сайнексис» за пределами действия лицензий, предоставленных настоящей Статьей 5.

5.6 *Grantback Rights*. Subject to the terms and conditions of this Agreement, and further subject to Section 4.3(a), R-Pharm hereby grants to Scynexis an exclusive (but not including R-Pharm and its Affiliates), paid-up license under any patents or know-how that embody or relate to R-Pharm Inventions, R-Pharm's interest in any Joint Patent Rights, R-Pharm Know-how and R-Pharm's interest in

5.6 *Обратная передача прав.* При соблюдении условий настоящего Соглашения и если это не противоречит Статье 4.3 (а), компания «Р-Фарм» настоящим предоставляет компании «Сайнексис» исключительную (но не включая «Р-Фарм» и ее Аффилированные лица), оплаченную лицензию по любым патентам или ноу-хау, воплощающим или относящимся к

Joint Know-how that are owned or controlled, in whole or in part, by R-Pharm or its Affiliates and relate specifically to the Compound and/or the Product (including R-Pharm Inventions and Joint Inventions) and are not of general utility : (i) to develop, make, have made, use, offer to sell, sell and have sold Products with applications outside the Field for all purposes worldwide (including, without limitation, within the Territory), and (ii) to develop, make, have made, use, offer to sell, sell and have sold Products with applications within the Field for all purposes outside the Territory. The foregoing licenses shall include the right to grant sublicenses. As to such Inventions which are of a general utility, subject to the terms and conditions of this Agreement, R-Pharm hereby grants to Scynexis a non-exclusive, paid-up license under any patents or know-how that embody or relate to R-Pharm Inventions, R-Pharm's interest in Joint Inventions, R-Pharm's Know-how and R-Pharm's interest in Joint Know-how that are owned or controlled by R-Pharm or its Affiliates and relate specifically to the Compound and/or the Product (including R-Pharm Inventions and Joint Inventions): (i) to develop, make, have made, use, offer to sell, sell and have sold Products with applications outside the Field for all purposes worldwide (including, without limitation, within the Territory), and (ii) to develop, make, have made, use, offer to sell, sell and have sold Products with applications within the Field for all purposes outside the Territory. The foregoing licenses shall include the right to grant sublicenses.

Изобретениям «Р-Фарм», правам «Р-Фарм» в Совместных патентных правах, Ноу-Хау «Р-Фарм» и правах «Р-Фарм» на Совместное Ноу-Хау, которые принадлежат компании «Р-Фарм» или ее Аффилированным лицам либо контролируются ими в целом или в части и относятся конкретно к Соединению и/или Продукту (включая Изобретения «Р-Фарм» и Совместные изобретения), а также не являются универсальными: (i) на разработку, изготовление, осуществленное изготовление, использование, предложение для продажи, продажу и осуществленную продажу продуктов с областью применения за пределами Сферы применения для всех целей по всему миру (в том числе, в частности, в пределах Территории), и (ii) на разработку, изготовление, осуществленное изготовление, использование, предложение для продажи, продажу и осуществленную продажу Продуктов с областью применения в пределах Сферы применения для всех целей за пределами Территории. Вышеупомянутые лицензии включают в себя право предоставления сублицензий. В отношении Изобретений, являющихся универсальными, при соблюдении условий настоящего Соглашения, компания «Р-Фарм» настоящим предоставляет компании «Сайнексис» неисключительную оплаченную лицензию по любым патентам или ноу-хау, воплощающим или относящимся к Изобретениям «Р-Фарм», правам «Р-Фарм» в Совместных патентных правах, Ноу-Хау «Р-Фарм» и правах «Р-Фарм» на Совместное Ноу-Хау которые принадлежат компании «Р-Фарм» или ее Аффилированным лицам либо контролируются ими и относятся конкретно к Соединению и/или Продукту (включая Изобретения «Р-Фарм» и Совместные изобретения): (i) на разработку, изготовление, осуществленное изготовление, использование, предложение для продажи, продажу и осуществленную продажу

продуктов с областью применения за пределами Сферы применения для всех целей по всему миру (в том числе, в частности, в пределах Территории), и (ii) на разработку, изготовление, осуществленное изготовление, использование, предложение для продажи, продажу и осуществленную продажу Продуктов с областью применения в пределах Сферы применения для всех целей за пределами Территории. Вышеупомянутые лицензии включают в себя право предоставления сублицензий.

5.7 *Marketing Obligations, Rights.* R-Pharm shall use all commercially reasonable efforts to market and distribute the Product in the Territory. In connection therewith, R-Pharm shall dedicate resources to marketing the Product that are consistent with the resources that would typically be dedicated to novel compounds that have pricing, volume and marketing potentials similar to those of the Product. Scynexis, either itself and/or by and through its Affiliates, shall have the right, but not the obligation, to engage, at its sole option and discretion, in all marketing, advertising, promotional, launch and sales activities in connection with such efforts. R-Pharm shall determine, in its sole discretion, the pricing, discounting policy and other commercial terms relating to Products.

5.7 *Обязательства и права по маркетингу.* Компания «Р-Фарм» должна принимать все коммерчески обоснованные меры для маркетинга и распространения Продукта на Территории. В связи с этим «Р-Фарм» должна выделять для маркетинга Продукта ресурсы, сопоставимые с ресурсами, обычно выделяемыми для новых соединений, обладающих потенциалами ценообразования, объема и маркетинга, аналогичными соответствующим потенциалам Продукта. Компания «Сайнексис», самостоятельно и/или посредством и при помощи своих Аффилированных лиц, имеет право, но не обязана, исключительно по своему выбору и на свое усмотрение, заниматься всеми видами деятельности по маркетингу, рекламе, стимулированию сбыта, выходу на рынок и продажам в связи с вышеуказанными мерами. Компания «Р-Фарм» определяет, исключительно на свое усмотрение, ценообразование, порядок предоставления скидок и прочие коммерческие условия в отношении Продуктов.

5.8 *Use of the Scynexis Name.* Scynexis and R-Pharm agree that the packaging and promotional materials for the Product marketed by R-Pharm shall identify Scynexis as developer and licensor, to the extent that R-

5.8 *Использование наименования «Сайнексис».* Компании «Сайнексис» и «Р-Фарм» согласны с тем, что в упаковочных и рекламных материалах для Продукта, маркетинг которого осуществляет «Р-Фарм», компания «Сайнексис» должна быть указана

Pharm can reasonably accommodate same. R-Pharm hereby acknowledges Scynexis' ownership of the Scynexis name. Scynexis hereby agrees to indemnify and hold R-Pharm harmless from any use hereunder of the Scynexis name in connection with Product in the Territory which occurs with the consent of Scynexis, provided that R-Pharm provides Scynexis prompt notice of any such claim and grants to Scynexis the exclusive ability to defend (with the reasonable cooperation of R-Pharm) and settle any such claim. If only one name is allowed pursuant to governmental laws or regulations, then R-Pharm may use its name alone, without identifying Scynexis as developer and licensor.

в качестве разработчика и лицензиара, в той степени, в которой «Р-Фарм» может это обеспечить при помощи разумных мер. «Р-Фарм» настоящим признает право собственности компании «Сайнексис» на наименование «Сайнексис». Компания «Сайнексис» настоящим соглашается обеспечить компании «Р-Фарм» возмещение ущерба и освобождение от ответственности по любому использованию наименования «Сайнексис» на основании настоящего Соглашения в связи с Продуктом на Территории, которое имеет место с согласия компании «Сайнексис», при условии, что «Р-Фарм» подает компании «Сайнексис» незамедлительное уведомление о любой подобной претензии и предоставляет компании «Сайнексис» исключительную возможность оспаривать права истца (при разумно необходимом содействии со стороны «Р-Фарм») и урегулировать любую подобную претензию. «Р-Фарм», как указано выше. Если по государственным законам или нормам допустимо только одно наименование, то компания «Р-Фарм» может использовать только свое наименование, не указывая «Сайнексис» в качестве разработчика и лицензиара.

5.9 *Export Control*. This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States of America or other countries which may be imposed upon or related to Scynexis or R-Pharm from time to time. Each party agrees that it will not export, directly or indirectly, any technical information acquired from the other party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate agency or other

5.9 *Экспортный контроль*. Настоящее Соглашение заключено при условии соблюдения любых ограничений, которые касаются экспорта продукции или технической информации из Соединенных Штатов Америки или иных стран и могут время от времени налагаться на компании «Сайнексис» или «Р-Фарм» либо относиться к ним. Каждая сторона соглашается с тем, что она не будет экспортировать, прямо или косвенно, никакую техническую информацию, полученную от другой стороны по настоящему Соглашению, а также никакие продукты, использующие указанную техническую информацию, в такое местоположение или таким способом, для

governmental entity.

которых на момент экспорта требуется экспортная лицензия или иное правительственное разрешение, не получив предварительно письменного согласия на указанные действия от соответствующего агентства или иного органа государственной власти.

5.10 *Trademarks.* R-Pharm shall market the Product throughout the Territory under a trademark or trademarks (collectively, the "Trademark") selected by the Territory Development Committee. Scynexis shall own all right, title and interest in and to such Trademark, Scynexis shall grant to R-Pharm an exclusive (even as to Scynexis and its Affiliates) license under the Trademarks to research, develop, use, make or have made (from Compound supplied by Scynexis or its licensee), offer to sell, sell, market, distribute, export within the Territory and/or import the Product for use in the Field in the Territory pursuant to use conditions reasonable acceptable to the Parties, including that the license to use such Trademark shall terminate upon the termination of any license to the Patents hereunder. Scynexis will cooperate with R-Pharm to allow R-Pharm to register such Trademark license agreement with the relevant authority of the countries of the Territory where such registration is mandatory. [*] The foregoing licenses shall include the right to sublicense to the extent necessary to allow R-Pharm to have Third Parties (i) produce marketing, information or promotional materials for the Product and/or (ii) apply the Trademarks to the Products.

5.10 *Товарные знаки.* Компания «Р-Фарм» должна осуществлять маркетинг Продукта на Территории под товарным знаком или товарными знаками (совместно именуемыми «Товарный знак»), выбранными Комитетом по разработкам на Территории. Компании «Сайнексис» будут принадлежать все права, правовые титулы и имущественные права на указанный Товарный знак и в его отношении. Компания «Сайнексис» должна предоставить компании «Р-Фарм», исключительную (даже в отношении «Сайнексис» и ее Аффилированных лиц) лицензию в отношении Товарных знаков на исследование, разработку, использование, изготовление или осуществленное изготовление (из Соединения, поставленного компанией «Сайнексис» или ее лицензиатами), предложение для продажи, продажу, вывод на рынок, дистрибьюцию, экспорт в пределах Территории и/или импорт Продукта в соответствии с условиями использования обоснованно приемлемыми для Сторон, включая то, что лицензия на использование такого Товарного знака прекращается при прекращении любой лицензии на Патенты по настоящему Соглашению. Компания «Сайнексис» будет взаимодействовать с компанией «р-Фарм» с тем, чтобы компания «Р-Фарм» могла зарегистрировать такое соглашение о предоставлении лицензии на Товарный знак в соответствующих уполномоченных органах государств Территории, где такая регистрация обязательна. [*] Вышеуказанные лицензии включают право предоставлять

сублицензии в пределах, необходимых для предоставления компании «Р-Фарм» возможности привлекать Третьих сторон для (a) производства маркетинговых, информационных материалов или материалов для продвижения для Продукта и/или (ii) наносить Товарные знаки на Продукты.

5.11 Adverse Reaction Reporting.

(a) Each Party shall record, evaluate, summarize and review all adverse drug experiences associated with the Compound and the Product. In order that each Party may be fully informed of the adverse drug experiences associated therewith that are known to the other Party, each Party shall report:

In the case of Scynexis, to:

SCYNEXIS, Inc.

3501C Tricenter Blvd.

Durham, NC 27713

USA

Attention: _____

E-mail:katyna.borroto-esoda@scynexis.com

Facsimile No.: _____

Telephone No.:+1 919. 237.4431

In the case of R-Pharm, to:

Attention: Sergey Grishin, MD, PhD

Head of Drug Safety and Pharmacovigilance

E-mail: safety@rpharm.ru

sa.grishin@rpharm.ru

Facsimile No.: +7-495-956-79-37

5.11 *Сообщение о нежелательных побочных реакциях.*

(a) Каждая Сторона должна протоколировать, оценивать, обобщать и анализировать все нежелательные побочные реакции, связанные с Соединением и Продуктом. Чтобы обеспечить возможность полного информирования каждой Стороны о соответствующих нежелательных побочных реакциях, известных другой Стороне, каждая Сторона должна сообщать:

В случае компании «Сайнексис», по адресу:

Сайнексис Инк.

3501C Tricenter Blvd.

Durham, NC 27713

США

Вниманию: _____

E-mail: katyna.borroto-esoda@scynexis.com

№ факса: _____

№ телефона: +1 919. 237.4431

В случае компании «Р-Фарм», по адресу:

Вниманию: Сергей Гришин, MD, PhD

Руководитель отдела безопасности лекарственных средств

E-mail: safety@rpharm.ru

Telephone No.: +7-963-683-05-71

sa.grishin@rpharm.ru

№ факса: +7-495-956-79-37

№ телефона: +7-963-683-05-71

all "adverse events," as defined by the then current International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use ("ICH") guidelines, involving the Compound and/or the Product (all such reports, "AE Reports"). "Serious" adverse events, as defined by the then current ICH guidelines, shall be reported to the other Party within [*] (if the event is fatal or life-threatening) or [*] (if otherwise) after a Party's (a "reporting Party") becoming aware of such an event and shall either be reported by email, or by facsimile or telephone if email is not available. The reporting Party shall report on a quarterly basis all other adverse events that are known to the reporting Party through either the receipt of clinical study documentation or post-market surveillance. In addition, the reporting Party shall report all known instances of use of the Product during pregnancy. In any event, each Party shall promptly notify the other of any complaint received by such Party in sufficient detail and in sufficient time to allow the responsible Party to comply with any and all regulatory requirements imposed upon it in any country in the Territory. Each Party shall also advise the other of any regulatory developments (*e.g.*, proposed recalls, labeling and other registrational dossier changes, etc.) affecting the Compound or the Product in any country in the Territory.

обо всех «нежелательных явлениях», согласно определению, приведенному в действующих на тот момент указаниях Международной конференции по гармонизации технических требований к регистрации фармацевтических продуктов, предназначенных для применения человеком («ICH»), касающихся Соединения и/или Продукта (все указанные сообщения именуются «Сообщения о НЯ»). О «серьезных» нежелательных явлениях, согласно определению, приведенному в действующих на тот момент указаниях ICH, следует сообщать другой Стороне в течение [*] (если данное явление имеет смертельный исход или угрожает жизни) или [*] (в иных случаях) после того, как Стороне («отчитывающейся Стороне») станет известно об указанном явлении, при этом сообщение должно быть подано по электронной почте, а при невозможности сообщения по электронной почте – по факсу или по телефону. Отчитывающаяся Сторона должна на ежеквартальной основе представлять отчет обо всех нежелательных явлениях, известных отчитывающейся Стороне либо в связи с получением документации о клинических исследованиях, либо в связи с послепродажным наблюдением. Кроме того, отчитывающаяся Сторона должна незамедлительно уведомлять другую Сторону обо всех известных случаях использования Продукта во время беременности. В любом случае, каждая Сторона должна незамедлительно уведомлять другую Сторону обо всех жалобах, полученных указанной Стороной, с достаточными подробностями и в

достаточный срок для того, чтобы позволить ответственной Стороне соблюдать все и любые требования регулирующих органов, установленные для нее в любой стране на Территории. Каждая Сторона также должна сообщать другой Стороне о любых изменениях в регулировании (например, о предложениях по отзыву продукции, об изменениях в маркировке и иных изменениях в регистрационном досье, и пр.), воздействующих на Соединение или Продукт, в любой стране на Территории.

(b) R-Pharm shall comply with all laws, regulations, and guidelines in the Territory pertaining to adverse events and the reporting thereof, as well as other aspects of pharmacovigilance. R-Pharm shall be responsible for all communications with any government agencies in the Territory with respect to these matters and other reporting obligations. R-Pharm is entitled to delegate its obligations set forth in present Section to its subcontractors, provided, however, in no event shall such delegation relieve R-Pharm of its obligations under this Section.

(b) Компания «Р-Фарм» должна соблюдать все законы, нормы и указания, действующие на Территории, в отношении нежелательных явлений и сообщения о них, а также прочих аспектов фармакологического надзора. Компания «Р-Фарм» отвечает за все контакты с любыми государственными агентствами на Территории в отношении указанных вопросов и иных обязательств по отчетности. Компания «Р-Фарм» вправе передавать свои обязанности, указанные в настоящем Пункте, своим субконтракторам, что не освобождает «Р-Фарм» от обязательств, изложенных в настоящем пункте.

(c) The details of adverse reaction reporting during the development stage and thereafter shall be stipulated in a separate agreement to be entered into by the Parties in due course.

(c) Подробности относительно отчетности о нежелательных побочных реакциях на стадии разработки и впоследствии должны быть оговорены в отдельном соглашении, которое должно быть заключено Сторонами в надлежащий срок.

5.12 */*/*. Notwithstanding anything to the contrary set forth herein, for any and every [*] which [*], [*] shall have the right, but not the obligation, to [*] by giving notice to [*] of its intention to [*] within [*] of the [*], and [*] in connection with this Agreement (including [*] to [*] for [*] and [*]) [*] of such [*] for the Product [*] of the Territory for the Product.

5.13 */*/*. Несмотря ни на какие противоположные положения настоящего Соглашения, для каждой и любой [*], которая [*] имеет право, но не обязана [*] посредством подачи в адрес компании «Р-Фарм» уведомления о своем намерении [*] в течение [*] после [*], и [*] (включая [*] на [*] и [*]) [*] такой [*] для Продукта, [*]

For the [*] in accordance with the rules set forth in the previous sentences shall [*] as to [*] and [*]. The [*] shall be [*], provided hovewer that the [*] shall not be [*].

Территории для Продукта. Для [*] в соответствии с правилами, установленными в предыдущем предложении, должна быть [*], если [*] и [*]. [*] должна быть [*], при условии, однако, что [*] не может быть [*].

6. DEVELOPMENT MILESTONES; ROYALTIES AND SALES MILESTONES

6. ЭТАПЫ РАЗРАБОТКИ; РОЯЛТИ И ЭТАПЫ ПРОДАЖ.

6.1 *Payments to Scynexis.* In consideration of the licenses and other rights granted to R-Pharm under this Agreement by Scynexis, R-Pharm shall pay to Scynexis the Development Milestones, Royalties and Sales Milestones set forth herein.

6.1 *Платежи в адрес «Сайнексис».* В качестве вознаграждения за лицензии и иные права, предоставленные компании «Р-Фарм» по настоящему Соглашению компанией «Сайнексис», компания «Р-Фарм» должна выплатить компании «Сайнексис» указанные ниже суммы по Этапам разработки, Роялти и Этапам продаж.

6.2 *Development Milestones.* R-Pharm shall make the following Development Milestone payments as a part of license payments paid in consideration for the exclusive licenses granted herein upon the first occurrence of each event set forth below:

6.2 *Платежи по Этапам разработки.* Компания «Р-Фарм» должна осуществить следующие платежи по Этапам разработки как часть лицензионных платежей за предоставление исключительных прав по настоящему Соглашению после первого наступления каждого из указанных ниже событий:

(a) US$1,500,000 upon the execution of this Agreement ; and

(a) 1 500 000 долларов США после заключения настоящего Соглашения; и

(b) US$[*] upon [*].

(б) [*] долларов США после [*].

6.3 Royalty Payments.

6.3 *Роялти.*

(a) In consideration for the licenses granted herein, including the use of the Patents, Scynexis Inventions (including Joint Inventions) and Scynexis Know-how, and subject to the terms and conditions of this Agreement, R-Pharm shall pay to Scynexis a royalty, commencing on the First Commercial

(а) В качестве встречного удовлетворения за предоставление лицензий по настоящему Соглашению, включая использование Патентов, Изобретений «Сайнексис» (включая Совместные изобретения) и Ноу-хау «Сайнексис», в соответствии с условиями настоящего Соглашения, компания «Р-Фарм»

Sale by R-Pharm or its Affiliates, on a country-by-country and Product-by-Product basis, for sales of Product in the Territory, in an amount equal to

(i) In consideration for the exclusive rights granted herein, [*] of the aggregate Net Sales by R-Pharm and its Affiliates of all units of Product that fall within the claims of Patents issued in a relevant country within the Territory and continuing until the later of: (i) twelve (12) years from the first Registration of the Product in such country within the Territory; or (ii) the last to expire of the Patents in such country within the Territory; and

(ii) In consideration for the non-exclusive rights granted herein [*] of the aggregate Net Sales by R-Pharm and its Affiliates of all units of Product that do not fall within the claims of Patents issued in a relevant country within the Territory and continuing until [*] from the first Registration of the Product in such country within the Territory. For the avoidance of doubt Parties acknowledge and agree that in the countries within the Territory where R-Pharm shall pay the royalty payments for the exclusive rights the royalty payments for the non-exclusive rights shall not be paid.

(b) Payments due under this Section 6.3 shall be deemed to accrue when Product is shipped or billed, whichever event shall first occur.

обязана уплачивать компании «Сайнексис» роялти, начиная с даты Первой коммерческой продажи компанией «Р-Фарм» или ее Аффилированными лицами, по каждому Продукту и в каждой стране, за продажи Продукта на Территории, в размере, равном:

(i) в качестве встречного удовлетворения за предоставление исключительных прав [*] от совокупного Чистого объема продаж компанией «Р-Фарм» и ее Аффилированными лицами любых видов Продуктов, которые подпадают под действие Патентов, выданных в соответствующей стране на Территории; роялти уплачиваются до наиболее поздней из следующих дат: (i) двенадцать (12) лет от даты первой Регистрации Продукта в такой стране на Территории; или (ii) истечения срока действия последнего из Патентов в такой стране на Территории; и

(ii) в качестве встречного удовлетворения за предоставление неисключительных прав [*] от совокупного Чистого объема продаж компанией «Р-Фарм» и ее Аффилированными лицами любых видов Продуктов, которые не подпадают под действие Патентов, выданных в соответствующей стране на Территории; роялти уплачиваются до истечения [*] от даты первой Регистрации Продукта в такой стране на Территории. Во избежание сомнений Стороны признают и соглашаются, что в тех странах внутри Территории, где компания «Р-Фарм» должна уплачивать роялти за предоставление исключительных прав, роялти за предоставление неисключительных прав не подлежат оплате.

(b) обязанность по уплате платежей в соответствии с настоящим Пунктом 6.3 считается возникшей с наиболее ранней из следующих дат: в случае если Продукт отгружен или в отношении него выставлен счет.

6.4 *Sales Milestones.* R-Pharm shall

6.4 *Платежи по Этапам продаж.*

pay to Scynexis Sales Milestones as a part of license payments paid in consideration for the exclusive licenses granted herein as follows:

(a) US$[*] upon the achievement of cumulative Net Sales of US$[*] within the Territory; and

(b) US$[*] upon the achievement of cumulative Net Sales of US$[*] within the Territory.

(c) *Payments to the third parties.* R-Pharm is not obliged to pay royalty or any other payments to Scynexis or any third parties unless such payments are directly set forth in this Agreement.

Компания «Р-Фарм» должна осуществлять платежи в адрес компании «Сайнексис» по Этапам продаж как часть лицензионных платежей за предоставление исключительных прав по настоящему Соглашению следующим образом:

(a) [*] долларов США после достижения совокупного Чистого объема продаж в размере [*] долларов США в пределах Территории; и

(b) [*] долларов США после достижения совокупного Чистого объема продаж в размере [*] долларов США в пределах Территории.

6.5. *Платежи третьим лицам.* Компания «Р-Фарм» не несет обязанности по уплате каких-либо роялти или иных платежей в адрес компании «Сайнексис» или любых третьих лиц помимо тех платежей, которые прямо указаны в настоящем Соглашении.

7. PAYMENTS AND REPORTS.

7.1 Payments.

(a) Beginning with the calendar quarter in which the First Commercial Sale is made in the Territory and for each calendar quarter thereafter, R-Pharm shall submit a statement, Product-by-Product and country-by-country, of the amount of Net Sales during such quarter and the amount of royalties due on such Net Sales. Each such statement shall be submitted quarterly within [*] after the end of each calendar quarter. Upon receipt of such statement, Scynexis shall issue an invoice via email or other electronic medium for the payment of the corresponding Royalties. R-Pharm shall pay such Royalties within [*] of receipt of the invoice submitted electronically.

7. ПЛАТЕЖИ И ОТЧЕТЫ.

7.1 *Платежи.*

(a) Начиная с календарного квартала, в котором осуществлена Первая коммерческая продажа на Территории, и для каждого последующего календарного квартала, компания «Р-Фарм» должна предоставлять отчет, по каждому Продукту и по каждой стране, о сумме Чистого объема продаж за указанный квартал и о сумме роялти, причитающихся по указанному Чистому объему продаж. Каждый такой отчет должен предоставляться ежеквартально в течение [*] после окончания каждого календарного квартала. После получения такого отчета, компания «Сайнексис» должна выставить счет по электронной почте или иным электронным способом для уплаты соответствующих платежей Роялти. Роялти

должны уплачиваться компанией «Р-Фарм» в течение [*] после получения соответствующего счета.

(b) Each of the Development Milestones and Sales Milestones due hereunder shall be paid after such milestone has been achieved within [*] after receipt of an invoice from Scynexis; provided, however, the Development Milestone set forth in Section 6.2(a) above shall be due within [*].

(b) Каждый из платежей по Этапам разработки и Этапам продаж, причитающийся по настоящему Соглашению, должен быть осуществлен после достижения указанного этапа в течение [*] после получения соответствующего счета, выставленного компанией «Сайнексис», при условии, однако, что платеж по Этапу разработки, установленный Статьей 6.2 (a) настоящего Соглашения должен быть уплачен в течение [*].

7.2 *Mode of Payment.* All payments to be made by R-Pharm to Scynexis under this Agreement shall be made in United States Dollars and shall be paid by bank wire transfer in immediately available funds to the account designated in Section 15.18 of this Agreement. Conversion of royalties to U.S. Dollars shall be done on a monthly basis, using the closing rate of exchange at the European Central Bank on the last business day of the calendar month to which such royalties relate. Notwithstanding the foregoing, if by reason of any restrictive exchange laws or regulations, R-Pharm shall be unable to convert to U.S. Dollars the amount, determined as above, equivalent to the amount due by R-Pharm hereunder, then R-Pharm shall so notify Scynexis promptly and provide an explanation of the circumstances. In such event, R-Pharm shall make all such payments or the balance thereof due hereunder and which is not paid in foreign currency as provided below, in U.S. Dollars as soon as reasonably possible after and to the extent that such restrictive exchange laws or regulations are lifted so as to permit R-Pharm to pay amounts due under this Agreement in U.S. Dollars. R-Pharm shall promptly notify Scynexis if such restrictions are so lifted. At

7.2 *Способ платежа.* Все платежи, которые компания «Р-Фарм» должна осуществлять компании «Сайнексис» по настоящему Соглашению, должны осуществляться в Долларах США и должны выплачиваться посредством безналичного банковского перевода средств, незамедлительно доступных для распоряжения, на счет, указанный в пункте 15.18 настоящего Соглашения. Конверсия сумм роялти в доллары США должна осуществляться ежемесячно с использованием валютного курса закрытия Европейского Центрального банка на последний рабочий день соответствующего календарного месяца, к которому такие роялти относятся Несмотря на вышеизложенное, если по причине каких-либо ограничивающих законов или норм по валютному регулированию компания «Р-Фарм» не в состоянии конвертировать в доллары США определенную выше сумму, эквивалентную сумме, причитающейся от «Р-Фарм» по настоящему Соглашению, то «Р-Фарм» должна незамедлительно уведомить об этом компанию «Сайнексис» и предоставить разъяснение указанных обстоятельств. В указанном случае компания

its option Scynexis shall meanwhile have the right to request the payment (to it or to its nominee), and, upon request, R-Pharm shall pay or cause to be paid amounts due (or such portions thereof as are specified by Scynexis) in the currency of any other country designated by Scynexis and legally available to R-Pharm under the then-existing laws or regulations. Not less than one (1) business day prior to such wire transfer, the R-Pharm shall telefax or email Scynexis advising it of the amount and of the payment to be made.

«Р-Фарм» должна осуществить в долларах США все платежи или их остатки, причитающиеся по настоящему Соглашению и не уплаченные в иностранной валюте, как предусмотрено ниже, в кратчайший разумно осуществимый срок после нижеуказанной отмены, и в той мере, в которой указанные ограничивающие законы или нормы по валютному регулированию будут отменены таким образом, чтобы позволить компании «Р-Фарм» выплачивать суммы, причитающиеся по настоящему Соглашению, в долларах США. «Р-Фарм» должна незамедлительно уведомить компанию «Сайнексис» в случае отмены указанных ограничений. Тем временем «Сайнексис» имеет право на свое усмотрение затребовать нижеуказанный платеж (себе или своему назначенному лицу), и по требованию компания «Р-Фарм» должна осуществить выплату или распорядиться о выплате причитающихся сумм (или их частей, указанных компанией «Сайнексис») в валюте любой иной страны, которая указана компанией «Сайнексис» и законным образом доступна для компании «Р-Фарм» по существующим на тот момент законам или нормам. Не позднее, чем за 1 (один) банковский день до указанного безналичного перевода компания «Р-Фарм» должна сообщить компании «Сайнексис» по телефаксу или электронной почте об указанной сумме и о платеже, который должен быть осуществлен.

7.3 Audit Request.

(a) At the request and expense of Scynexis , R-Pharm and its Affiliates shall permit an independent, certified public accountant appointed by Scynexis and reasonably acceptable to R-Pharm, at reasonable times and upon reasonable notice, to examine such records for any Calendar Year

7.3 *Запрос на аудит.*

(a) По запросу и за счет компании «Сайнексис» компания «Р-Фарм» и ее Аффилированные лица должны разрешить независимому дипломированному бухгалтеру-аудитору, назначенному компанией «Сайнексис» и в достаточной мере приемлемому для «Р-Фарм», в разумные

ending not more than [*] prior to the date of such request, as may be necessary to: (i) determine the correctness of any report or payment made under this Agreement; or (ii) obtain information as to the aggregate royalties payable for any calendar quarter in the case of R-Pharm's failure to report or pay pursuant to this Agreement. Said accountant shall not disclose to Scynexis any information other than information relating to said reports, royalties, and payments. Results of any such examination shall be made available to both Parties. Upon the expiration of [*] following the end of any calendar year, the calculation of royalties payable with respect to such year shall be binding and conclusive upon both parties, and R-Pharm and its sublicensees shall be released from any liability or accountability with respect to royalties for such year.

сроки и по заблаговременному уведомлению, проверить такие учетные документы за любой Календарный год, закончившийся не ранее, чем за [*] до даты указанного запроса, которые могут быть необходимы для: (i) определения правильности любого отчета или платежа, осуществленного по настоящему Соглашению; или (ii) получения информации относительно общей суммы роялти, подлежащей уплате за любой календарный квартал, в случае неспособности компании «Р-Фарм» предоставить отчет или осуществить выплату по настоящему Соглашению. Указанный бухгалтер не должен раскрывать компании «Сайнексис» никакую информацию, отличную от информации, относящейся к указанным отчетам, платежам и роялти. Результаты любой подобной проверки должны быть предоставлены обеим Сторонам. По истечении [*] после окончания любого календарного квартала расчет роялти, подлежащих уплате в отношении указанного года, является обязательным и окончательным для обеих сторон, и компания «Р-Фарм» и ее сублицензиаты освобождаются от любых обязательств или ответственности в отношении роялти за указанный год.

(b) At the request and expense of Scynexis, R-Pharm and its Affiliates shall permit an independent, certified public accountant appointed by Scynexis and reasonably acceptable to R-Pharm, at reasonable times and upon reasonable notice, to examine such records as may be necessary to confirm compliance with the Business Integrity Covenants set forth in Section 14. Such audits may not be requested more than [*] per any [*] period unless a public allegation or investigation of violation of any ACAB law has been lodged against a member of the R-Pharm Group in which case such an audit may

(b) По запросу и за счет компании «Сайнексис» компания «Р-Фарм» и ее Аффилированные лица должны разрешить независимому дипломированному бухгалтеру-аудитору, назначенному компанией «Сайнексис» и в достаточной мере приемлемому для «Р-Фарм», в разумные сроки и по заблаговременному уведомлению, проверить учетные документы, которые могут быть необходимы для подтверждения соблюдения Обязательств по деловой этике, изложенных в Статье 14. Запрос на такие аудиты не может подаваться чаще, чем [*] в течение любого срока в [*], за исключением

occur more frequently. R-Pharm agrees to procure the full cooperation of its Agents in any such audits.

случая, когда сделано публичное заявление или подано прошение о расследовании относительно нарушения какого-либо Закона о борьбе с коррупцией в отношении участника Группы «Р-Фарм», в указанном случае такой аудит может проводиться чаще. Компания «Р-Фарм» обеспечит полное взаимодействие с ее Агентами в процессе такого аудита.

7.4 Cost of Audit.

(a) Scynexis shall bear the full cost of the performance of any audit requested by Scynexis except as hereinafter set forth. If, as a result of any inspection of the books and records of Scynexis, or its Affiliates, it is shown that R-Pharm's payments under this Agreement were less than the amount which should have been paid, then R-Pharm shall make all payments required to be made to eliminate any discrepancy revealed by said inspection within [*] after Scynexis' demand therefor. Furthermore, if the payments made were less than [*] of the amount that should have been paid during the period in question, R-Pharm shall also reimburse Scynexis for the reasonable costs of such audit.

7.4 *Расходы на аудит.*

(a) Компания «Сайнексис» берет на себя все расходы на проведение любого аудита, затребованного компанией «Сайнексис», за исключением изложенного ниже. Если в результате какой-либо проверки бухгалтерских книг и учетных документов компании «Сайнексис» или ее Аффилированных лиц продемонстрировано, что платежи компании «Р-Фарм» по настоящему Соглашению были меньше, чем сумма, которую следовало уплатить, то компания «Р-Фарм» должна осуществить все платежи, которые требуется осуществить в целях устранения любого расхождения, выявленного посредством указанной проверки, в течение [*] после соответствующего требования «Сайнексис». Кроме того, если указанные платежи составляли менее чем [*] от суммы, которую следовало уплатить в течение рассматриваемого периода, то компания «Р-Фарм» должна также компенсировать компании «Сайнексис» разумно необходимые расходы на указанный аудит.

7.5 *Taxes.*

All sums due or to be paid under this Agreement are exclusive of VAT, GST, any withholding taxes, levies or payments by R-Pharm of such items as may be required under Russian law or the law of any country in the Territory, and other taxes or charges of a

7.5 *Налоги.*

Любые суммы, подлежащие уплате на основании настоящего Соглашения не включают в себя какой-либо НДС и другие налоги, сборы или иные платежи, подлежащие удержанию «Р-Фарм» в соответствии с требованиями российского

similar nature or that can replace or append the existing ones (collectively, "VAT"), and R-Pharm shall pay such VAT in addition to the sums otherwise payable, at the rate in force at the due time for payment or such other time as is stipulated under the relevant legislation.

The Parties agree to fully cooperate with each other to enable each Party to determine its tax liability and to minimize such liability to the extent legally permissible and administratively reasonable. Each Party shall provide and make available to the other Party any exemption certificates, resale certificates, information regarding out of state or out of country sales or use of equipment, materials or services, and any other information reasonably requested by the other Party to support the provisions of this Section 7.5 including the appropriate organization of invoice formats and supporting documents to allow maximization of reclamation of VAT and other transaction taxes paid.

законодательства или законодательства любой страны на Территории, и другие налоги и сборы аналогичной природы или те налоги и сборы, которыми могут быть заменены существующие налоги и сборы (совместно «НДС»). Компания «Р-Фарм» обязана уплатить такой НДС в дополнение к иным уплачиваемым суммам по ставке, установленной на дату платежа или на иную дату в соответствии с применимым законодательством.

Стороны соглашаются в полной мере сотрудничать друг с другом с тем, чтобы каждая Сторона определяла свои налоговые обязательства и сводила к минимуму такие обязательства в той мере, которая является юридически допустимой и административно разумной. Каждая Сторона предоставляет другой Стороне любые сертификаты, освобождающие от уплаты налога, сертификаты повторной продажи, информацию о государственных продажах или продажах вне пределов государства или использовании оборудования, материалов и услуг, а также любую другую информацию, по обоснованным запросам другой Стороны для поддержки положений настоящего Пункта 7.5, в том числе соответствующую организацию форматов счета-фактуры и сопроводительных документов, для максимального возмещения НДС и других уплачиваемых налогов.

8. MANUFACTURE AND SUPPLY.

8.1 Supply; Processing of Finished Product.

(a) Subject to the terms and conditions of a separate agreement to be negotiated by the Parties (the "Manufacturing and Supply Agreement"), Scynexis (or its

8. ПРОИЗВОДСТВО И ПОСТАВКИ.

8.1 Поставки; обработка готового продукта.

(a) При соблюдении условий отдельного соглашения, которое подлежит обсуждению Сторонами («Соглашение о производстве и поставке»), компания «Сайнексис» (или ее

licensee) shall supply R-Pharm with all of R-Pharm's requirements for Compound for commercial use in the Territory (which shall be deemed to include all of the requirements of R-Pharm's Affiliates), and R-Pharm shall purchase from Scynexis (or its licensee) all of such requirements for Compound. Parties agree that the price of the Compound purchased by R-Pharm from Scynexis shall [*].

(b) R-Pharm may elect to process the Compound into Product in finished form for sale in the Field in the Territory pursuant to the terms of the Manufacturing and Supply Agreement. If R-Pharm so elects, R-Pharm shall perform all aspects of the finished form manufacture, including, without limitation, all product labeling and other package inserts and materials required by the applicable Regulatory Authorities, in compliance with all applicable requirements of the Regulatory Authorities in each respective country of the Territory in which the Product is sold and according to the Manufacturing and Supply Agreement.

(c) Notwithstanding the foregoing Sections 8.1 (a) and 8.1 (b), either party may, by written request to the other, initiate discussions regarding the potential of R-Pharm to manufacture Compound for production of Product for sale in the Field in the Territory.

лицензиат) должна поставлять компании «Р-Фарм» все требуемые компании «Р-Фарм» количества Соединения для коммерческого использования на Территории (которые считаются включающими в себя все количества, требуемые для Аффилированных лиц «Р-Фарм»), и компания «Р-Фарм» должна закупать у «Сайнексис» (или ее лицензиата) все указанные требуемые количества Соединения. Стороны договорились, что цена Соединения, закупаемого компанией «Р-Фарм» у компании «Сайнексис» [*].

(b) Компания «Р-Фарм» вправе выбрать переработку Соединения в Продукт в готовой форме для продажи в Сфере применения на Территории в соответствии с положениями Соглашения о производстве и поставке. В случае если компания «Р-Фарм» выбирает такой вариант, то «Р-Фарм» осуществляет все аспекты производства готовой формы, включая без ограничения, маркировку всей продукции, вкладываемых материалов и материалов, требуемых применимыми Регулирующими органами, в соответствии со всеми применимыми требованиями регулирующих органов в каждой соответствующей стране на Территории, в которой Продукт продается и в соответствии с Соглашением о производстве и поставке.

(c) Вне зависимости от положений Пунктов 8.1 (a) и 8.1 (b), любая сторона вправе, по письменному запросу в адрес другой стороны, инициировать обсуждение возможности компании «Р-Фарм» производить Соединение для производства Продукта для продажи в Сфере применения на Территории.

9. **OWNERSHIP; PATENTS.**

9.1 Ownership

9. **ПРАВО СОБСТВЕННОСТИ; ПАТЕНТЫ.**

9.1 *Право собственности.*

(a) За исключением той степени, в

(a) Except as otherwise provided in Section 9.1(b) or (c), Scynexis shall retain all right, title and interest in and to the Scynexis Inventions, regardless of which Party prepares and prosecutes the applications associated therewith, or maintains the patents, copyrights or other intellectual property rights related thereto, subject to the license granted to R-Pharm pursuant to Sections 5.1 and 5.2. Rights to Scynexis Inventions belong to Scynexis.

которой иное предусмотрено в Пункте 9.1(b) или (c), компания «Сайнексис» сохраняет за собой все права, правовые титулы и имущественные права на Изобретения «Сайнексис» и в их отношении, независимо от того, какая из Сторон осуществляет подготовку и поддержку связанных с этим заявок, или сохраняет в силе патенты, авторские права или иные права интеллектуальной собственности, связанные с указанными изобретениями, при условии соблюдения лицензии, предоставленной компании «Р-Фарм» согласно Пунктам 5.1 и 5.2. Права на Изобретения «Сайнексис» принадлежат компании «Сайнексис».

(b) Rights to Inventions made solely by employees of R-Pharm shall belong to R-Pharm ("R-Pharm Inventions").

(b) Права на Изобретения, сделанные исключительно работниками «Р-Фарм», принадлежат компании «Р-Фарм» («Изобретения «Р-Фарм»).

(c) Rights to Inventions which were made jointly by employees of Scynexis and by employees of R-Pharm shall belong jointly to Scynexis and to R-Pharm ("Joint Inventions"). Such Joint Inventions shall be subject to the terms and conditions of this Agreement.

(c) Права на Изобретения, сделанные совместно работниками «Сайнексис» и работниками «Р-Фарм», принадлежат совместно компаниям «Сайнексис» и «Р-Фарм» («Совместные изобретения»). Указанные Совместные изобретения подчиняются условиям настоящего Соглашения.

(d) Notwithstanding anything to the contrary in this Agreement, the Parties hereby agree all, right, title and interest in and to any and all [*] and related development processes shall [*] and [*] shall execute such documents as are necessary or appropriate to vest title to [*] in all patents issued with respect to such [*].

(d) Несмотря ни на какие противоположные положения настоящего Соглашения, Стороны настоящим договариваются о том, что все права, правовые титулы и имущественные права в отношении всех и любых лекарственных форм [*] и соответствующие процессы разработки являются [*] и [*] обязана принимать участие в подготовке документов, необходимых и предназначенных для присвоения права собственности [*] на патенты, получаемые в отношении [*].

9.2 Patent Maintenance.

9.2 Сохранение патентов в силе.

(a) Scynexis shall be responsible to R-Pharm for preparation and prosecution of all patent applications and the maintenance of all patents relating to the Licensed Technology (including the Patents) throughout the Territory, it being acknowledged and agreed that such prosecution and maintenance may be performed and/or be managed by Merck, the current owner of the Patents. In connection therewith, Scynexis shall consult with R-Pharm in order to assure that all future filings with respect to the Patents are made in a timely manner and identify the relevant countries in the Territory, to the extent that Scynexis can do so. Scynexis shall pay, or cause to be paid, all costs and expenses of filing, prosecuting and maintaining the Patents and the patents covering Inventions owned by Scynexis in the Territory.

(a) Компания «Сайнексис» отвечает перед компанией «Р-Фарм» за подготовку и ведение всех патентных заявок и за сохранение в силе всех патентов, относящихся к Лицензированной технологии (включая Патенты), на всей Территории, при этом согласовано и признано, что указанное ведение и сохранение в силе может осуществляться и/или регулироваться компанией Мерк, которая в настоящее время является владельцем Патентов. В связи с этим компания «Сайнексис» должна консультироваться с компанией «Р-Фарм» в целях обеспечения в будущем своевременной подачи всех документов в отношении Патентов и выявления соответствующих стран на Территории, в той степени, в которой «Сайнексис» может осуществлять указанные действия. Компания «Сайнексис» должна осуществлять оплату или распоряжаться об оплате всех расходов и издержек на подачу документов, ведение и сохранение в силе Патентов и патентов, распространяющихся на Изобретения, принадлежащие компании «Сайнексис», на Территории.

(b) In connection with the development of the Compound and/or the Product, in the Territory, each Party agrees promptly to provide to the other Party a complete written disclosure of any Invention made by such Party. The Territory Development Committee shall determine whether any Invention owned jointly by Scynexis and R-Pharm is patentable and whether filing a patent application is economically justifiable, and if so, shall proceed with the preparation and prosecution of a patent application covering any such Invention. R-Pharm shall determine whether any Invention owned solely by R-Pharm is patentable and whether filing a patent

(b) В связи с разработкой Соединения и/или Продукта на Территории каждая Сторона соглашается незамедлительно предоставлять другой Стороне полное письменное раскрытие сущности любого Изобретения, сделанного указанной Стороной. Комитет по разработкам на Территории должен принять решение о том, является ли патентоспособным любое Изобретение, принадлежащее или совместно «Сайнексис» и «Р-Фарм», и о том, оправдана ли экономически подача патентной заявки, а если это так, компания «Сайнексис» должна приступить к подготовке и ведению патентной заявки на любое подобное Изобретение. Компания «Р-Фарм» должна принять решение о том, является ли

application is economically justifiable, and if so, shall proceed with the preparation and prosecution of a patent application covering any such Invention. Scynexis shall determine whether any Invention owned solely by Scynexis is patentable and whether filing a patent application is economically justifiable, and if so, shall proceed with the preparation and prosecution of a patent application covering any such Invention.

патентоспособным любое Изобретение, принадлежащее исключительно «Р-Фарм», и о том, оправдана ли экономически подача патентной заявки, а если это так, компания «Р-Фарм» должна приступить к подготовке и ведению патентной заявки на любое подобное Изобретение. Компания «Сайнексис» должна принять решение о том, является ли патентоспособным любое Изобретение, принадлежащее исключительно «Сайнексис», и о том, оправдана ли экономически подача патентной заявки, а если это так, компания «Сайнексис» должна приступить к подготовке и ведению патентной заявки на любое подобное Изобретение.

(c) Scynexis and R-Pharm shall share all costs and expenses of filing, prosecuting and maintaining the patents covering Joint Inventions. If either Party elects not to pay for: (i) the filing of a patent application in the Territory on any such Joint Invention which the other Party reasonably believes is patentable, or (ii) the further prosecution or maintenance of any such patent in the Territory, or (iii) the filing of any divisional or continuing patent application based on any patent in the Territory, such Party shall notify the other Party in a timely manner and the other Party may do so at its own expense. In such event, such patent or application in the Territory shall be assigned by such Party to the other Party, all of such assigning Party's rights in such patent or application in the Territory shall cease, and, in the case where R-Pharm is the assigning Party, the licenses granted to R-Pharm under Section 5 with respect thereto shall terminate.

(c) «Сайнексис» и «Р-Фарм» должны совместно оплачивать все расходы и издержки на подачу документов, ведение и сохранение в силе Патентов, распространяющихся на Совместные изобретения. Если одна из Сторон принимает решение не платить за: (i) подачу патентной заявки на Территории по любому подобному Совместному Изобретению, являющемуся, как обоснованно полагает другая Сторона, патентоспособным, или (ii) дальнейшее поддержание или сохранение в силе любого подобного патента на Территории, или (iii) подачу любой заявки на выделенный патент или продолжающей патентной заявки на основании любого патента на Территории, то указанная Сторона должна своевременно уведомить другую Сторону, и другая Сторона может осуществлять указанные действия за свой счет. В указанном случае указанный патент или заявка на Территории должны быть переданы указанной Стороной другой Стороне, и все права указанной передающей Стороны на указанный патент или заявку на Территории прекращают действовать, а в случае, когда «Р-Фарм» является передающей Стороной, лицензии, предоставленные

компании «Р-Фарм» по Статье 5 в указанном отношении, прекращают действовать.

(d) Each Party agrees to cooperate with the other Party to execute all lawful papers and instruments, to make all rightful oaths and declarations and to provide consultation and assistance as may be necessary in the preparation, prosecution, maintenance and enforcement of all such patents and patent applications.

(d) Каждая Сторона соглашается сотрудничать с другой Стороной в целях оформления всех законных документов и инструментов, принесения всех правомерных присяг и подачи всех правомерных заявлений, а также в целях предоставления содействия и консультаций, которые могут быть необходимы при подготовке, ведении, сохранении в силе и обеспечении правовой санкцией всех указанных патентов и патентных заявок.

9.3 *Patent* Enforcement.

9.3 *Обеспечение патентов правовой санкцией.*

(a) Each Party shall promptly report in writing to the other Party during the term of this Agreement any: (i) known infringement, suspected infringement, unauthorized use or misappropriation of any of the Patents in the Field in the Territory by a Third Party of which it becomes aware, and shall provide the other Party with all available evidence supporting said infringement, suspected infringement or unauthorized use or misappropriation. Within [*] after Scynexis becomes, or is made, aware of any of the foregoing, it shall advise R-Pharm in writing that [*] Scynexis has elected to initiate proceedings [*]. The inability of Scynexis to decide on a course of action within such [*] period shall for purposes of this Agreement be deemed a decision not to initiate an infringement or other appropriate suit.

(a) Каждая Сторона должна незамедлительно сообщать в письменном виде другой Стороне на протяжении срока действия настоящего Соглашения о любом: (i) известном нарушении, предполагаемом нарушении, несанкционированном использовании или незаконном присвоении любого из Патентов в Сфере применения на Территории Третьей стороной, о котором указанной Стороне становится известно, и должна предоставлять другой Стороне все имеющиеся доказательства, подтверждающие указанное нарушение, предполагаемое нарушение, несанкционированное использование или незаконное присвоение. В течение [*] после того, как компания «Сайнексис» узнает или получит сведения о любом из вышеуказанных событий, она должна сообщить «Р-Фарм» в письменном виде о том, что [*] «Сайнексис» решила возбудить дело[*]. Неспособность «Сайнексис» принять решение о порядке действий в течение указанного срока в [*] считается в целях настоящего Соглашения решением не возбуждать дело о нарушении или иное соответствующее дело.

(b) Within [*] after Scynexis becomes, or is made, aware of any infringement, suspected infringement or unauthorized use or misappropriation by a Third Party in the Field in the Territory, as provided in paragraph (a) above, and provided that Scynexis shall have advised R-Pharm, within the [*] period provided in paragraph (a) above of its [*] decision to file suit, Scynexis [*] shall initiate an infringement or other appropriate suit anywhere in the world against such Third Party. Scynexis shall provide R-Pharm with an opportunity to make suggestions and comments regarding such suit and shall promptly notify R-Pharm of the commencement of such suit. Scynexis shall keep R-Pharm promptly informed of, and shall from time to time consult with R-Pharm regarding the status of any such suit and shall provide R-Pharm with copies of all documents filed in, and all written communications relating to, such suit. Scynexis shall select counsel who shall be reasonably acceptable to R-Pharm. Scynexis shall, except as provided below, pay all expenses of the suit, including, without limitation, attorneys' fees and court costs. If necessary, R-Pharm shall join as a party to the suit but shall be under no obligation to participate except to the extent that such participation is required as the result of being a named party to the suit; provided, however, R-Pharm shall have the right to participate and be represented in any suit by its own counsel at its own expense. Scynexis shall not settle any such suit involving rights of R-Pharm without obtaining the prior written consent of R-Pharm, which consent shall not be unreasonably withheld.

(b) В течение [*] после того, как компания «Сайнексис» узнает или получит сведения о любом нарушении, предполагаемом нарушении, несанкционированном использовании или незаконном присвоении, осуществленном Третьей стороной в Сфере применения на Территории, как предусмотрено выше в пункте (a), при условии, что «Сайнексис» уведомила компанию «Р-Фарм» в течение срока в [*], предусмотренного выше в пункте (a), о своем решении [*] возбудить иск, «Сайнексис» [*] должны возбудить дело о нарушении или иное соответствующее дело в любом регионе мира против указанной Третьей стороны. «Сайнексис» должна предоставить компании «Р-Фарм» возможность вносить предложения и комментарии относительно указанного дела и должна незамедлительно уведомить «Р-Фарм» о начале рассмотрения указанного дела. Компания «Сайнексис» должна надлежащим образом держать «Р-Фарм» в курсе состояния указанного дела, должна время от времени консультироваться с «Р-Фарм» по указанному поводу и должна предоставлять «Р-Фарм» копии всех документов, поданных по указанному делу, и всех относящихся к нему письменных сообщений. «Сайнексис» должна выбрать юридического консультанта, в достаточной степени приемлемого для «Р-Фарм». Компания «Сайнексис» должна, за исключением предусмотренного ниже, оплачивать все расходы на ведение данного дела, включая, в частности, гонорары юристов и судебные издержки. При необходимости компания «Р-Фарм» присоединяется в качестве стороны к данному делу, но не обязана участвовать в нем, за исключением той степени, в которой данное участие требуется в результате того, что она является поименованной стороной по данному делу; при условии, однако, что «Р-

Фарм» имеет право участвовать и быть представленной в любом деле посредством своего собственного юридического консультанта, за свой счет. «Сайнексис» не должна урегулировать никакое подобное дело, затрагивающее права «Р-Фарм», не получив предварительного письменного согласия «Р-Фарм», причем не должно быть необоснованного отказа в предоставлении такого согласия.

(c) In the event that Scynexis does not inform R-Pharm of its intent to initiate an infringement or other appropriate suit within the [*] period provided in paragraph (a) above, or does not initiate such an infringement other appropriate action within the [*] period provided in paragraph (b) above, R-Pharm shall have the right, but not the duty, at its expense, to initiate an infringement or other appropriate suit. In exercising its rights pursuant to this paragraph (c), R-Pharm shall have the sole and exclusive right to select counsel and shall pay all expenses of the suit, including without limitation attorneys' fees and court costs. If necessary, Scynexis shall join as a party to the suit and shall participate only to the extent that such participation is required as a result of its being a named party to the suit or being the holder of any patent at issue or being the owner or licensor of any Patents at issue. At R-Pharm's request, Scynexis shall offer reasonable assistance to R-Pharm in connection therewith at no charge except for reimbursement of reasonable out-of-pocket expenses incurred in rendering such assistance. Without limiting the generality of the preceding sentence, Scynexis shall cooperate fully in order to enable R-Pharm to institute any action hereunder. Scynexis shall have the right to be represented in any such suit by its own counsel at its own expense.

(c) В случае, когда «Сайнексис» не проинформировала «Р-Фарм» о своем намерении возбудить дело о нарушении или иное соответствующее дело в течение [*] срока, предусмотренного выше в пункте (a), или не возбудила указанное дело о нарушении или иное соответствующее дело в течение [*] срока, предусмотренного выше в пункте (b), компания «Р-Фарм» имеет право, но не обязана, за свой счет возбудить дело о нарушении или иное соответствующее дело. При осуществлении своих прав согласно настоящему пункту (c) «Р-Фарм» имеет единоличное и исключительное право выбрать юридического консультанта и должна оплатить все расходы на указанное дело, включая, в частности, гонорары юристов и судебные издержки. При необходимости компания «Сайнексис» присоединяется в качестве стороны к данному делу и должна участвовать в нем только в той степени, в которой данное участие требуется в результате того, что она является поименованной стороной по данному делу, или держателем какого-либо спорного патента, или владельцем либо лицензиаром каких-либо спорных Патентов. По запросу «Р-Фарм» компания «Сайнексис» должна предложить разумно необходимое содействие «Р-Фарм» в указанной связи, без оплаты, за исключением возмещения обоснованных текущих расходов, понесенных при оказании данного

содействия. Без ограничения общности предыдущего предложения, «Сайнексис» должна в полной мере обеспечивать содействие с тем, чтобы предоставить компании «Р-Фарм» возможность возбуждения любого дела по настоящему Соглашению. Компания «Сайнексис» имеет право быть представленной в любом подобном деле посредством своего собственного юридического консультанта, за свой собственный счет.

(d) Any recovery obtained by either or both Scynexis and R-Pharm in connection with or as a result of any action contemplated by this Section 9.3, whether by settlement or otherwise, shall be shared in order as follows:

(i) the party which initiated and prosecuted the action shall recoup all of its costs and expenses incurred in connection with the action;

(ii) the other party shall then, to the extent possible, recover its costs and expenses incurred in connection with the action; and

(iii) the amount of any recovery remaining shall then be [*].

(d) Любая взысканная сумма, полученная компанией «Сайнексис» или «Р-Фарм», или обеими указанными компаниями, в связи с любым делом, предусмотренным в настоящем Пункте 9.3, или в результате указанного дела, посредством мирового соглашения или иначе, должна быть разделена в следующем порядке:

(i) сторона, которая возбудила и вела данное дело, должна возместить все свои расходы и издержки, понесенные в связи с данным делом;

(ii) затем другая сторона должна, в той степени, в которой это возможно, возместить свои расходы и издержки, понесенные в связи с данным делом;

(iii) затем любой остаток взысканной суммы должен быть [*].

9.4 *Infringement Action by Third Parties*.

(a) In the event of the institution or threatened institution of any suit by a Third Party against R-Pharm for patent infringement involving the research, development, usage, making, sale, distribution, export within the Territory and/or import or marketing of the Product in the Field in the Territory, R-Pharm shall promptly notify Scynexis in writing of

9.4. *Дела о нарушении, возбуждаемые Третьими сторонами*.

(a) В случае возбуждения или угрозы возбуждения Третьей стороной против «Р-Фарм» любого дела по нарушению патентных прав, относящегося к исследованию, разработке, использованию, изготовлению, продаже, распространению, экспорту в пределах Территории и/или импорту или маркетингу Продукта в Сфере применения на Территории, компания «Р-Фарм» должна

such suit. [*] shall have the right to defend such suit at its own expense and shall be responsible for all damages incurred as a result thereof. [*] hereby agrees to assist and cooperate with [*], at [*] reasonable request and expense, in the defense of such suit (including, without limitation, consenting to being named as a nominal party thereto). During the pendency of such action, R-Pharm shall continue to make all payments due under this Agreement.

незамедлительно уведомить «Сайнексис» в письменном виде об указанном деле. [*] имеет право оспаривать права истца по указанному делу за свой счет и отвечает за все убытки, принятые на себя в результате этого. [*] настоящим соглашается содействовать [*] и сотрудничать с ней, по обоснованному запросу и за счет [*], при возражениях ответчика по указанному делу (включая, в частности, согласие на то, чтобы быть указанной в качестве номинальной стороны по указанному делу). В течение рассмотрения указанного дела компания «Р-Фарм» должна продолжать осуществление всех платежей, причитающихся по настоящему Соглашению.

(b) Any award from such Third Party that arises as a result of such action (whether by way of judgment, award, decree, settlement or otherwise) shall be allocated as follows: (i) if [*] finally prevails, such award shall be applied first to reimburse [*] for all costs and expenses incurred by it with respect to such action; (ii) if [*] with respect to any such action and finally prevails, [*] shall [*]; or (iii) if [*] any such action, the expenses of such defense shall be [*], and [*] any part of such award remaining after the reimbursement of such expenses, [*].

(b) Любая присужденная сумма от указанной Третьей стороны, возникающая в результате указанного дела (посредством судебного решения, арбитражного решения, судебного распоряжения, урегулирования или иначе) должна быть распределена следующим образом: (i) если [*] в конечном итоге выигрывает дело, то указанная присужденная сумма должна быть вначале применена для компенсации [*] всех расходов и убытков, которые она понесла в отношении указанного дела; (ii) если [*] в отношении какого-либо подобного дела и в конечном итоге выигрывает дело, то [*] имеет [*]; или (iii) если [*] по указанному делу, то расходы на указанные возражения ответчика должны быть [*], и [*] любую часть указанной присужденной суммы, остающуюся после компенсации указанных расходов, [*].

(c) The provisions of Section (a) above notwithstanding, [*] shall not [*] under Section (a) to the extent that any infringement or claim results from: (i) [*] or [*]; or (ii) [*].

(c) Несмотря на положения вышеприведенного Пункта (a), [*] не [*] по Пункту (a) в той степени, в которой какое-либо нарушение или требование является результатом: (i) [*]; или (ii) [*].

(d) In the event that one or more patent licenses from other third parties are required by R-Pharm or its Affiliates in order to research, develop, make or have made (from Compound supplied by Scynexis or its licensee), use, offer to sell, sell, market, distribute, export within the Territory and/or import Product in the Territory in the Field (hereinafter "Third Party Patent Licenses"), any consideration actually paid under such Third Party Patent Licenses by R-Pharm or its Affiliates for sale of such Product in the Field in a country of the Territory for such Calendar Quarter shall be creditable against the royalty payments due Scynexis by R-Pharm with respect to the sale of Products in such country. Notwithstanding the foregoing, in no event shall any amount owed to Scynexis be reduced by more than [*] as a result of such Third Party Patent Licenses.

(d) В случае, когда одна или несколько патентных лицензий от иных третьих сторон требуются компании «Р-Фарм» или ее Аффилированным лицам в целях исследования, разработки, изготовления или осуществленного изготовления (из Соединения, поставленного компанией «Сайнексис» или ее лицензиата), использования, предложения для продажи, продажи, маркетинга, дистрибьюции, экспорта в пределах Территории и/или импорта Продукта на Территории в Сфере применения (ниже именуемые «Патентные лицензии третьих сторон»), любое вознаграждение, фактически уплаченное компанией «Р-Фарм» или ее Аффилированными лицами за продажу указанного Продукта в Сфере применения в стране, расположенной на Территории, за указанный Календарный квартал, должно зачитываться в счет роялти, причитающихся компании «Сайнексис» от «Р-Фарм» в отношении продажи Продуктов в указанной стране. Несмотря на вышеизложенное, ни в коем случае никакая сумма, причитающаяся компании «Сайнексис», не должна быть уменьшена более чем на [*] в результате указанных Патентных лицензий третьих сторон.

(e) [*] under this Agreement in the case of any claimed infringement or violation of any Third Party's rights or unauthorized use or misappropriation of any Third Party's technology.

(e) [*] по настоящему Соглашению в случае любого заявления о нарушении или посягательстве в отношении любых прав Третьих сторон, или о несанкционированном использовании или незаконном присвоении любой технологии Третьей стороны.

10. **PUBLICATION; CONFIDENTIALITY.**

10. **ПУБЛИКАЦИЯ; КОНФИДЕНЦИАЛЬНОСТЬ.**

10.1 *Notification.* Parties recognize that each Party may wish to publish the results of its work relating to the subject matter of this

10.1 *Уведомление.* Стороны признают, что каждая Сторона может пожелать опубликовать результаты своей работы, относящейся к предмету настоящего

Agreement ("**Publishing Party**"). However, Parties also recognize the importance of acquiring patent protection. Consequently, subject to any applicable laws or regulations obligating Publishing Party to do otherwise, any proposed publication by Publishing Party shall comply with this Section 10.1. At least [*] before a manuscript is to be submitted to a publisher, Publishing Party will provide the Territory Development Committee with a copy of the manuscript (or an English translation thereof). If Publishing Party wishes to make an oral presentation, it will provide the Territory Development Committee with a copy of the abstract (if one is submitted) at least [*] before it is to be submitted. Publishing Party will also provide to the Territory Development Committee a copy of the text of the presentation, including all slides, posters, and any other visual aids, at least [*] before the presentation is made.

Соглашения «**Публикующая Сторона**»). Однако Стороны также признают важность приобретения патентной защиты. Соответственно, если иное не предусмотрено любыми применяемыми законами или нормами, обязывающими Публикующую Сторону поступать иначе, любая предполагаемая публикация Публикующей Стороны должна соответствовать настоящему Пункту 10.1. Как минимум за [*] до даты, когда рукопись должна быть передана издателю, Публикующая Сторона предоставит Комитету по разработкам на Территории копию указанной рукописи (или ее перевод на английский язык). Если Публикующая Сторона желает сделать устную презентацию, она предоставит Комитету по разработкам на территории копию аннотации (если она подается) как минимум за [*] до даты, когда она должна быть подана. Публикующая Сторона также предоставит Комитету по разработкам на территории копию текста указанной презентации, включая все слайды, материалы стендового доклада и любые иные визуальные вспомогательные материалы, как минимум за [*] до того, как будет сделана данная презентация.

10.2 *Review*. The Territory Development Committee will review the manuscript, abstract, text or any other material provided under Section 10.1 to determine whether patentable subject matter is disclosed. The Territory Development Committee will notify Publishing Party within [*] of receipt of the proposed publication if the Territory Development Committee, in good faith, determines that patentable subject matter is or may be disclosed, or if the Territory Development Committee, in good faith, believes Confidential Information is or may be disclosed. If it is determined by the Territory Development Committee that patent

10.2 *Рассмотрение*. Комитет по разработкам на Территории рассмотрит данную рукопись, аннотацию, текст или любой иной материал, предоставленный согласно Пункту 10.1, чтобы определить, раскрыты ли материалы, предусматривающие патентование. Комитет по разработкам на Территории уведомит Публикующую Сторону в течение [*] после получения предложенной публикации о том, принял ли Комитет по разработкам на Территории добросовестное решение о раскрытии или возможном раскрытии материалов, предусматривающих патентование, или о том, принял ли Комитет по разработкам на Территории

applications should be filed, Publishing Party shall delay its publication or presentation for a period not to exceed [*] from the Territory Development Committee's receipt of the proposed publication or presentation to allow time for the filing of patent applications covering patentable subject matter. In the event that the delay needed to complete the filing of any necessary patent application will exceed the [*] period, the Territory Development Committee will discuss the need for obtaining an extension of the publication delay beyond the [*] period. If it is determined in good faith by the Territory Development Committee that Confidential Information or proprietary information is being disclosed, the Parties will consult in good faith to arrive at an agreement on mutually acceptable modifications to the proposed publication or presentation to avoid such disclosure.

добросовестное решение о раскрытии или возможном раскрытии Конфиденциальной информации. Если Комитет по разработкам на Территории принял решение о том, что следует подать патентные заявки, то компания «Р-Фарм» должна отложить свою публикацию или презентацию на срок, не превышающий [*] с момента получения Комитетом по разработкам на Территории предложенной публикации или презентации, с тем, чтобы предоставить срок для подачи патентных заявок на материалы, предусматривающие патентование. В случае, когда отсрочка, необходимая для завершения подачи какой-либо необходимой патентной заявки, превосходит указанный срок в [*], Комитет по разработкам на Территории обсудит необходимость продления указанной отсрочки публикации сверх указанного [*] срока. Если Комитет по разработкам на Территории добросовестно принял решение о том, что осуществляется раскрытие Конфиденциальной информации или информации, являющейся собственностью, то Стороны проведут добросовестные консультации, чтобы прийти к соглашению относительно взаимно приемлемых изменений предложенной публикации или презентации, с тем, чтобы избежать указанного раскрытия информации.

10.3 Exclusions. Nothing in Sections 10.1 and 10.2 shall prevent each Party from issuing statements as to achievements made by this Party with respect to the Product, and the status of the work being done by such Party, under this Agreement, so long as such statements do not jeopardize the ability to obtain patent protection on Inventions or disclose non-public technical or scientific Confidential Information; or (ii) from issuing statements necessary to comply with applicable law (including the disclosure requirements of the U.S. Securities and

10.3 *Исключения.* Ничто в Пунктах 10.1 и 10.2 не препятствует каждой Стороне делать заявления об успехах, достигнутых этой Стороной в отношении Продукта, а также о ходе работ, выполняемых такой Стороной по настоящему Соглашению, при условии, что указанные заявления не подвергают риску возможность обеспечения патентной защиты для Изобретений, а также не раскрывают внутреннюю техническую или научную Конфиденциальную информацию; или (ii) делать заявления, необходимые для соблюдения соответствующих законов

Exchange Commission, Nasdaq or any other stock exchange on which securities issued by such Party are traded).

(включая требования по раскрытию информации со стороны Комиссии по ценным бумагам и биржам США, NASDAQ или любой иной фондовой биржи, на которой обращаются ценные бумаги, выпускаемые такой Стороной).

10.4 *Confidentiality; Exceptions.* Except to the extent expressly authorized by this Agreement or otherwise agreed in writing, the Parties agree that, during the term of this Agreement and for [*] thereafter, the receiving Party, its Affiliates, its licensees and its sublicensees shall, and shall ensure that their respective employees, officers and directors shall, keep completely confidential and not publish or otherwise disclose and not use for any purpose any information furnished to it or them by the other Party, its Affiliates, its licensees or its sublicensees or developed under or in connection with this Agreement, except to the extent that it can be established by the receiving Party by competent proof that such information: (i) was already known to the receiving Party, other than under an obligation of confidentiality, at the time of disclosure by the other Party; (ii) was generally available to the public or otherwise part of the public domain at the time of its disclosure to the receiving Party; (iii) became generally available to the public or was otherwise part of the public domain after its disclosure and other than through any act or omission of the receiving Party in breach of this Agreement; or (iv) 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 (all such information to which none of the foregoing exceptions applies, "Confidential Information").

10.4 *Конфиденциальность; исключения.* За исключением той степени, в которой это явно разрешено настоящим Соглашением или иначе согласовано в письменном виде, Стороны согласны с тем, что на протяжении срока действия настоящего Соглашения и в течение [*] Сторона, получающая информацию, ее Аффилированные лица, ее лицензиаты и ее сублицензиаты, а также их соответствующие работники, должностные лица и директора должны обеспечить полную конфиденциальность нижеуказанной информации, не должны публиковать или иначе раскрывать, и не должны использовать ни с какой целью никакую информацию, предоставленную указанному лицу или указанным лицам другой Стороной, ее Аффилированными лицами, ее лицензиатами или ее разрешенным сублицензиатами, или разработанную в соответствии или в связи с настоящим Соглашением, за исключением той степени, в которой Сторона, получающая информацию, может установить посредством соответствующего доказательства, что указанная информация: (i) была уже известна Стороне, получающей информацию, на момент ее раскрытия другой Стороной, иначе, чем на основании обязательства по соблюдению конфиденциальности; (ii) была общедоступна для общественности или иным образом была частью общественной собственности на момент раскрытия указанной информации Стороне, получающей информацию; (iii) стала общедоступна для общественности или иным образом была частью общественной собственности после ее раскрытия, иначе,

чем посредством какого-либо действия или упущения Стороны, получающей информацию, с нарушением настоящего Соглашения; или (iv) была раскрыта Стороне, получающей информацию, иначе, чем на основании обязательства по соблюдению конфиденциальности, Третьей стороной, у которой отсутствует обязательство перед Стороной, раскрывающей информацию, не раскрывать указанную информацию другим лицам (вся информация, к которой не применяется ни одно из перечисленных выше исключений, именуется «Конфиденциальная информация»).

10.5 *Exceptions to Obligation.* The restrictions contained in Section 10.4 shall not apply to Confidential Information that: (i) is submitted by the recipient to governmental authorities to facilitate the issuance of Registrations for the Product, provided that reasonable measures shall be taken to assure confidential treatment of such information; (ii) is provided by the recipient to Third Parties under confidentiality provisions at least as stringent as those in this Agreement, for consulting, manufacturing development, manufacturing, external testing, marketing trials, potential investment and, with respect to Scynexis, to Third Parties who are permitted sublicensees or other development/marketing partners or potential development/marketing partners of Scynexis with respect to any of the subject matter of this Agreement; or (iii) is otherwise required to be disclosed in compliance with applicable laws or regulations or order by a court or other regulatory body having competent jurisdiction; provided that if a Party is required to make any such disclosure of the other Party's Confidential Information such Party will, except where impracticable for necessary disclosures (for example, to physicians conducting studies or to health authorities), give reasonable advance notice to

10.5 *Исключения из обязательства.* Ограничения, содержащиеся в Пункте 10.4, не применяются к Конфиденциальной информации, которая (i) передана ее получателем в органы государственной власти в целях содействия выдаче Регистраций для Продукта, при условии, что должны быть приняты обоснованные меры для обеспечения конфиденциального обращения с указанной информацией; (ii) предоставлена ее получателем Третьим сторонам на основании положений о конфиденциальности, по меньшей мере столь же строгих, как соответствующие положения настоящего Соглашения, в целях консультирования, технологической разработки, производства, внешнего тестирования, маркетинговых исследований, потенциальных инвестиций, а также, в отношении компании «Сайнексис», Третьим сторонам, которые являются сублицензиатами, или иными партнерами по разработкам/маркетингу, или потенциальными партнерами по разработкам/маркетингу компании «Сайнексис» в отношении любого из предметов настоящего Соглашения; или (iii) иным образом должна быть раскрыта в соответствии с требованиями применяемых

the other Party of such disclosure requirement and, except to the extent inappropriate in the case of patent applications, will use its best efforts to secure confidential treatment of such Confidential Information required to be disclosed.

законов или норм, или распоряжения суда или иного регулирующего органа надлежащей юрисдикции; при условии, что в случаях, когда Сторона должна осуществить любое подобное раскрытие Конфиденциальной информации другой Стороны, указанная Сторона, за исключением случаев, когда это неосуществимо при необходимом раскрытии информации (например, врачам, проводящим исследования, или органам здравоохранения), подать заблаговременное уведомление другой Стороне об указанном требовании раскрытия информации, и, за исключением той степени, в которой это неуместно в случае патентных заявок, должна принять все возможные меры для обеспечения конфиденциального рассмотрения указанной Конфиденциальной информации, которую требуется раскрыть.

10.6 *Limitations on Use*. Each Party shall use, and cause each of its Affiliates, its licensees and its sublicensees to use, any Confidential Information obtained by such Party from the other Party, its Affiliates, its licensees or its sublicensees, pursuant to this Agreement or otherwise, solely in connection with the activities or transactions contemplated hereby.

10.6 *Ограничения на использование*. Каждая Сторона должна использовать, и должна обеспечить, чтобы каждое из ее Аффилированных лиц, каждый из ее лицензиатов и сублицензиатов использовали любую Конфиденциальную информацию, полученную указанной Стороной от другой Стороны, ее Аффилированных лиц, ее лицензиатов или ее сублицензиатов, на основании настоящего Соглашения или иначе, исключительно в связи с работами или сделками, предусмотренными настоящим Соглашением.

10.7 Remedies. Each Party shall be entitled, in addition to any other right or remedy it may have, at law or in equity, to an injunction, without the posting of any bond or other security, enjoining or restraining the other Party, its Affiliates, its licensees and/or its sublicensees from any violation or threatened violation of this Section 10.

10.7 *Средства правовой защиты*. Каждая Сторона имеет, в дополнение к любому иному праву или средству правовой защиты, которое у нее может иметься по закону или по праву справедливости, право на судебный запрет, без внесения судебного залога или иного обеспечения, в целях наложения запрета или ограничений на другую Сторону, ее Аффилированных лиц, ее лицензиатов

11. RECALL; INDEMNIFICATION; LIMITATION OF LIABILITY.

11.1 *Investigation; Recall.* In the event that the Regulatory Authority in any country in the Territory shall allege or prove that the Product does not comply with applicable rules and regulations in such country, R-Pharm shall notify Scynexis immediately and both Parties shall cooperate fully regarding the investigation and disposition of any such matter. If R-Pharm is required or should deem it appropriate to recall the Product and such recall is due to any gross negligence, recklessness or wrongful intentional acts or omissions by, or breach of representation and warranty, including representations and warranties set forth in the Section 2 of this Agreement, by Scynexis, then and in such event Scynexis shall bear all reasonable costs associated with such recall, including, without limitation, refund of the selling price and the actual cost of conducting the recall in accordance with the recall guidelines of the applicable Regulatory Authority. Otherwise, R-Pharm shall bear all costs and expenses associated with such recall.

11.2 *Indemnification by R-Pharm.* R-Pharm shall indemnify, defend and hold harmless Scynexis and its Affiliates, and their respective directors, officers, employees,

и/или ее сублицензиатов в отношении любого нарушения или любой угрозы нарушения настоящей Статьи 10.

11. ОТЗЫВ; ВОЗМЕЩЕНИЕ УЩЕРБА; ОГРАНИЧЕНИЕ ОТВЕТСТВЕННОСТИ

11.1 *Расследование; отзыв.* В случае, когда Регулирующий орган в какой-либо стране на Территории заявляет или доказывает, что Продукт не соответствует правилам и нормам, применяемым в данной стране, компания «Р-Фарм» должна незамедлительно уведомить компанию «Сайнексис», и обе Стороны должны в полной мере сотрудничать в отношении расследования и решения любого подобного вопроса. Если компания «Р-Фарм» обязана или считает уместным осуществить отзыв Продукта, и указанный отзыв обусловлен какой-либо грубой небрежностью, неосторожностью, намеренными неправомерными действиями или актами бездействия, или нарушением заявлений и гарантий со стороны «Сайнексис», включая заявления и гарантии, изложенные в Путкне 2 настощего Соглашения, то в указанном случае компания «Сайнексис» должна взять на себя все обоснованные издержки, связанные с указанным отзывом, включая, в частности, возврат цены продажи и фактических расходов на осуществление указанного отзыва согласно указаниям по отзыву со стороны соответствующего Регулирующего органа. В противном случае компания «Р-Фарм» берет на себя все расходы и издержки, связанные с указанным отзывом.

11.2 *Гарантия возмещения ущерба со стороны «Р-Фарм».* Компания «Р-Фарм» гарантирует возмещение ущерба, защиту и освобождение от ответственности компании

subcontractors and Agents , from and against any and all liabilities, damages, losses, costs and expenses (including the reasonable fees of attorneys and other professionals) arising out of or resulting from:

«Сайнексис» и ее Аффилированным лицам, а также их соответствующим директорам, должностным лицам, работникам, субподрядчикам и Агентам в отношении всех и любых обязательств, убытков, потерь, расходов и издержек (включая разумно необходимые гонорары юристов и иных профессионалов), возникающих вследствие или в результате:

(a) negligence, recklessness or wrongful intentional acts or omissions of R-Pharm, its Affiliates, if any, and their respective directors, officers, employees, subcontractors and Agents , in connection with the work performed by R-Pharm under the Territory Development Plan;

(a) небрежности, неосторожности или намеренных неправомерных действий либо актов бездействия компании «Р-Фарм», ее Аффилированных лиц, если таковые существуют, и их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов в связи с работой, выполняемой компанией «Р-Фарм» по Плану разработок на Территории;

(b) any warranty claims, Product recalls or any tort claims of personal injury (including death) or property damage relating to or arising out of any distribution or sale of the Product by R-Pharm or its Affiliates due to any negligence, recklessness or wrongful intentional acts or omissions by, or strict liability of, R-Pharm or its Affiliates, and their respective directors, officers, employees, subcontractors and Agents, except, in each case, to the comparative extent such claim arose out of or resulted from the negligence, recklessness or wrongful intentional acts or omissions of Scynexis and its Affiliates, and their respective directors, officers, employees, subcontractors and Agents; and

(b) любых претензий по гарантиям, отзывов Продукта, или любых требований, возникающих на основании причинения вреда здоровью (включая смерть) или имущественного ущерба, в отношении или вследствие любого распространения или продажи Продукта компанией «Р-Фарм» или ее Аффилированными лицами, в результате любой небрежности, неосторожности, намеренных неправомерных действий либо актов бездействия или строгой ответственности компании «Р-Фарм» или ее Аффилированных лиц и их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов, за исключением, в каждом из случаев, относительного объема, в котором указанное требование возникло вследствие или в результате небрежности, неосторожности или намеренных неправомерных действий либо актов бездействия компании «Сайнексис» и ее Аффилированных лиц, а также их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов;

и

(c) any breach of any representation or warranty made by R-Pharm under Section 2.

(c) любого нарушения любых заявлений или гарантий, предоставленных компанией «Р-Фарм» согласно Статье 2.

11.3 *Indemnification by Scynexis.* Scynexis shall indemnify, defend and hold harmless R-Pharm and its Affiliates and their respective directors, officers, employees, subcontractors and Agents , from and against any and all liabilities, damages, losses, costs and expenses (including the reasonable fees of attorneys and other professionals) arising out of or resulting from:

11.3 *Гарантия возмещения ущерба со стороны «Сайнексис».* Компания «Сайнексис» гарантирует возмещение ущерба, защиту и освобождение от ответственности компании «Р-Фарм» и ее Аффилированным лицам, а также их соответствующим директорам, должностным лицам, работникам, субподрядчикам и Агентам в отношении всех и любых обязательств, убытков, потерь, расходов и издержек (включая разумно необходимые гонорары юристов и иных профессионалов), возникающих вследствие или в результате:

(a) negligence, recklessness or wrongful intentional acts or omissions of Scynexis or its Affiliates, and their respective directors, officers, employees, subcontractors and Agents, in connection with Scynexis' fulfillment of its obligations under Section 4;

(a) небрежности, неосторожности или намеренных неправомерных действий либо актов бездействия компании «Сайнексис» или ее Аффилированных лиц, а также их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов в связи с выполнением компанией «Сайнексис» ее обязательств по Статье 4;

(b) any warranty claims, Product recalls or any tort claims of personal injury (including death) or property damage relating to or arising out of any manufacture, of any Product by Scynexis or its Affiliates due to any negligence, recklessness or wrongful intentional acts or omissions by, or strict liability of, Scynexis or its Affiliates, and their respective directors, officers, employees, subcontractors and Agents, except, in each case, to the comparative extent such claim arose out of or resulted from the negligence, recklessness or wrongful intentional acts or omissions of R-Pharm or its Affiliates, and their respective directors, officers, employees,

(b) любых претензий по гарантиям, отзывов Продукта, или любых требований, возникающих на основании причинения вреда здоровью (включая смерть) или имущественного ущерба, в отношении или вследствие производства любого Продукта компанией «Сайнексис» или ее Аффилированными лицами, в результате любой небрежности, неосторожности, намеренных неправомерных действий либо актов бездействия или строгой ответственности компании «Сайнексис» или ее Аффилированных лиц и их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов, за исключением, в каждом из случаев,

subcontractors and Agents;

относительного объема, в котором указанное требование возникло вследствие или в результате небрежности, неосторожности или намеренных неправомерных действий либо актов бездействия компании «Р-Фарм» и ее Аффилированных лиц, а также их соответствующих директоров, должностных лиц, работников, субподрядчиков и Агентов;

(c) any breach of any representation or warranty made by Scynexis under Section 2; and

(c) любого нарушения любых заявлений или гарантий, предоставленных компанией «Сайнексис» согласно Статье 2;

(d) [*] for any reason [*].

(d) [*] по любой причине, [*].

11.4 *Notice of Indemnification.* In the event that any person (an "Indemnitee") entitled to indemnification under Section 11.2 or 11.3 is seeking such indemnification, such Indemnitee shall inform the indemnifying Party of the claim as soon as reasonably practicable after such Indemnitee receives notice of such claim, shall permit the indemnifying Party to assume direction and control of the defense of the claim (including the sole right to settle it at the sole discretion of the indemnifying Party, provided that such settlement does not impose any obligation on, or otherwise adversely affect, the Indemnitee or the other Party) and shall cooperate as requested (at the expense of the indemnifying Party) in the defense of the claim.

11.4 *Уведомление о возмещении ущерба.* В случае, когда какое-либо лицо («Получатель возмещения»), обладающее правом на возмещение ущерба согласно Пункту 11.2 или 11.3, добивается указанного возмещения ущерба, указанный Получатель возмещения должен сообщить Стороне, гарантирующей возмещение, об указанной претензии в кратчайший осуществимый срок после того, как указанный Получатель возмещения получит уведомление об указанной претензии, а также должен позволить Стороне, гарантирующей возмещение, принять на себя управление и контроль в отношении возражений ответчика по указанной претензии (включая единоличное право урегулировать указанную претензию, исключительно на усмотрение Стороны, гарантирующей возмещение, при условии, что такое урегулирование не налагает никаких обязательств и в ином отношении не воздействует неблагоприятно на Получателя возмещения или на другую Сторону), и должен содействовать по запросу (за счет Стороны, гарантирующей возмещение) возражениям ответчика по указанной претензии.

11.5 *Complete Indemnification.* As the

11.5 *Полное возмещение ущерба.* Поскольку Стороны предусматривают полное

Parties intend complete indemnification, all costs and expenses incurred by an Indemnitee in connection with enforcement of Sections 11.2 and 11.3 shall also be reimbursed by the indemnifying Party.

11.6 *Limitation of Liability.* EXCEPT FOR DAMAGES RESULTING FROM R-PHARM'S BREACH OF THE SCOPE OF THE LICENSES GRANTED OR ASSOCIATED RESTRICTIONS OR OWNERSHIP PROVISIONS, AND THE PARTIES' RESPECTIVE OBLIGATIONS REGARDING INDEMNIFICATION OR THE PROTECTION OF CONFIDENTIAL INFORMATION, TO THE FULL EXTENT ALLOWED BY LAW THE PARTIES EXCLUDE ANY LIABILITY, WHETHER BASED IN CONTRACT, TORT (INCLUDING NEGLIGENCE), OR ANY OTHER LEGAL THEORY, FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR PUNITIVE DAMAGES OF ANY KIND, OR ANY DAMAGES THAT ARE NOT DIRECT, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE PERFORMANCE OR BREACH HEREOF, EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY THEREOF.

12. **TERM; TERMINATION.**

12.1 *Term.* This Agreement shall become effective as of the Effective Date and, unless earlier terminated pursuant to the other provisions of this Section 12, shall expire upon

возмещение ущерба, то все расходы и издержки, понесенные Получателем возмещения в связи с обеспечением правовой санкцией Пунктов 11.2 и 11.3, также должны быть возмещены Стороной, гарантирующей возмещение.

11.6 *Ограничение ответственности.* ЗА ИСКЛЮЧЕНИЕМ УБЫТКОВ, ВОЗНИКАЮЩИХ В РЕЗУЛЬТАТЕ НАРУШЕНИЯ КОМПАНИЕЙ «Р-ФАРМ» ОБЪЕМА ПРЕДОСТАВЛЕННЫХ ЛИЦЕНЗИЙ, ИЛИ СОПУТСТВУЮЩИХ ОГРАНИЧЕНИЙ ИЛИ ПОЛОЖЕНИЙ О ПРАВЕ СОБСТВЕННОСТИ, СООТВЕТСТВУЮЩИЕ ОБЯЗАТЕЛЬСТВА СТОРОН В ОТНОШЕНИИ ВОЗМЕЩЕНИЯ УЩЕРБА ИЛИ ЗАЩИТЫ КОНФИДЕНЦИАЛЬНОЙ ИНФОРМАЦИИ, В ПОЛНОЙ МЕРЕ, ДОПУСТИМОЙ ПО ЗАКОНУ ДЛЯ СТОРОН, ИСКЛЮЧАЮТ ЛЮБУЮ ОТВЕТСТВЕННОСТЬ, ОСНОВАННУЮ НА ДОГОВОРЕ, ДЕЛИКТЕ (ВКЛЮЧАЯ НЕБРЕЖНОСТЬ) ИЛИ ЛЮБОЙ ИНОЙ ПРАВОВОЙ ТЕОРИИ, ЗА ПОБОЧНЫЕ, КОСВЕННЫЕ, НЕПРЯМЫЕ, ОПРЕДЕЛЯЕМЫЕ ОСОБЫМИ ОБСТОЯТЕЛЬСТВАМИ ИЛИ ШТРАФНЫЕ УБЫТКИ ЛЮБОГО РОДА, ИЛИ ЗА ЛЮБЫЕ УБЫТКИ, НЕ ЯВЛЯЮЩИЕСЯ ПРЯМЫМИ, КОТОРЫЕ ВОЗНИКАЮТ ВСЛЕДСТВИЕ НАСТОЯЩЕГО СОГЛАШЕНИЯ, ИЛИ ЕГО ВЫПОЛНЕНИЯ ИЛИ НАРУШЕНИЯ, ИЛИ В СВЯЗИ С ЭТИМ, ДАЖЕ ЕСЛИ УКАЗАННАЯ СТОРОНА БЫЛА УВЕДОМЛЕНА О ВОЗМОЖНОСТИ УКАЗАННЫХ УБЫТКОВ.

12. **СРОК ДЕЙСТВИЯ; ПРЕКРАЩЕНИЕ ДЕЙСТВИЯ.**

12.1 *Срок действия.* Настоящее Соглашение вступает в силу на Дату вступления в силу и, если его действие не будет прекращено ранее в соответствии с

the termination of R-Pharm's last obligation to pay royalties pursuant to the provisions of Section 6 of this Agreement.

другими положениями настоящей Статьи 12, теряет силу после прекращения действия последнего обязательства компании «Р-Фарм» по выплате роялти в соответствии с положениями Статьи 6 настоящего Соглашения.

12.2 *Termination for Cause.* Either Party (the "non-breaching Party") may, without prejudice to any other remedies available to it at law or in equity, terminate this Agreement in the event the other Party (the "breaching Party") shall have materially breached or defaulted in the performance of any of its material obligations hereunder, and such default shall have continued for [*] after written notice thereof was provided to the breaching party by the non-breaching party [*]. Any such termination shall become effective at the end of such [*] period unless the breaching party has cured any such breach or default prior to the expiration of such [*] period [*]. The right of either Party to terminate this Agreement as provided in this Section 12.2 shall not be affected in any way by such Party's waiver or failure to take action with respect to any previous default.

12.2 *Прекращение действия по конкретному основанию.* Любая из Сторон («Сторона, не нарушающая обязательств») может, без ущерба для любых иных средств правовой защиты, доступных ей по закону или по праву справедливости, прекратить действие настоящего Соглашения в случае, если другая Сторона («Сторона, нарушающая обязательства») существенным образом нарушила или не исполнила какие-либо из своих существенных обязательств по настоящему Соглашению, и указанное неисполнение обязательств продолжило иметь место в течение [*] после того, как письменное уведомление об этом было подано стороне, нарушающей обязательства, стороной, не нарушающей обязательств [*]. Любое указанное прекращение действия вступает в силу по окончании указанного [*] срока, за исключением случая, когда сторона, нарушающая обязательства, исправила какое-либо подобное нарушение или неисполнение до истечения указанного [*] срока [*]. На право каждой Стороны прекратить действие настоящего Соглашения, как предусмотрено в настоящем Пункте 12.2, никоим образом не влияет отказ данной Стороны от претензий или ее неспособность принять меры в отношении какого-либо предыдущего невыполнения обязательств.

12.3 Effect of Expiration or Termination.

12.3 Последствия истечения срока действия или прекращения действия.

(a) Following expiration of the term of this Agreement:

(a) После истечения срока действия настоящего Соглашения:

(i) R-Pharm, to the extent required by law, shall have a non-exclusive, royalty-free, perpetual right to continue to make, have made, use, market, distribute, sell, export within the Territory and/or import all Products in all countries in the Territory, and the non-exclusive, perpetual and paid-up right to use the Licensed Technology in connection therewith;

(i) Компания «Р-Фарм», в той степени, в которой это требуется по закону, имеет неисключительное, без уплаты роялти, бессрочное право на продолжение изготовления, осуществленного изготовления, использования, маркетинга, распространения, продажи, экспорта в пределах Территории и/или импорта всех Продуктов во всех странах на Территории, а также неисключительное, бессрочное и оплаченное право на использование Лицензированной технологии в связи с этим;

(ii) Scynexis shall have: (A) the fully-paid non-exclusive right to continue to cross-reference and otherwise exercise its rights as set forth in Section 4 under the Registrations and other regulatory filings for all Products in all countries in the Territory; and (B) the fully-paid, non-exclusive, perpetual right to continue to use patents or know-how that embody or relate to the Inventions described in Section 5.6 solely for the purposes set forth in Section 5.6.

(ii) компания «Сайнексис» имеет: (A) полностью оплаченное неисключительное право на продолжение перекрестных ссылок и на иное осуществление своих прав, изложенных в Статье 4, по Регистрациям и иным документам, поданным в целях регулирования для всех Продуктов во всех странах на Территории; и (B) полностью оплаченное, неисключительное, бессрочное право на продолжение использования патентов или ноу-хау, реализующих Изобретения, описанные в Пункте 5.6, или относящихся к ним, исключительно в целях, описанных в Пункте 5.6.

(b) If this Agreement is terminated with respect to a portion of the Territory (the "Subject Portion") by Scynexis pursuant to Sections 4.8, 5.3, 12.2 or 14.5(d), in addition to any other remedies available to Scynexis at law or in equity: (i) R-Pharm shall promptly transfer to Scynexis copies of all data, reports, records and materials in R-Pharm's possession or control that relate, whether exclusively or non-exclusively, to the Territory Development Plan and return to Scynexis all relevant records and materials in R-Pharm's possession or control that relate exclusively to the Subject Portion and contain Confidential Information of Scynexis (provided that R-Pharm may keep one hard (non-electronic) copy of such

(b) Если действие настоящего Соглашения прекращено в отношении части Территории («Зависимой части») компанией «Сайнексис» согласно Пунктам 4.8, 5.3, 12.2 или 14.5(d), то, в дополнение к любым иным средствам правовой защиты, доступным компании «Сайнексис» по закону или по праву справедливости: (i) компания «Р-Фарм» должна незамедлительно передать компании «Сайнексис» копии всех данных, отчетов, учетных документов или материалов, находящихся во владении или под контролем «Р-Фарм», которые относятся, исключительно или не исключительно, к Плану разработок на Территории, и вернуть компании «Сайнексис» все соответствующие

Confidential Information of Scynexis for archival purposes only); (ii) all licenses granted by Scynexis to R-Pharm hereunder shall terminate with respect to the Subject Portion; (iii) R-Pharm shall transfer to Scynexis, or shall cause its designee(s) under Section 4.4(b) to transfer to Scynexis, ownership of all INDs, Registration Applications, Registrations and other regulatory filings made or filed for the Product in the Subject Portion; and (iv) R-Pharm shall transfer to Scynexis all rights to use the Trademark with respect to the Product in all countries throughout the Subject Portion.

учетные документы и материалы, находящиеся во владении или под контролем «Р-Фарм», которые относятся исключительно к Зависимой части и содержат Конфиденциальную информацию «Сайнексис» (при условии, что «Р-Фарм» может сохранить одну копию на бумажном носителе (неэлектронную) указанной Конфиденциальной информации «Сайнексис» исключительно в целях архивирования); (ii) все лицензии, предоставленные компанией «Сайнексис» компании «Р-Фарм» по настоящему Соглашению, прекращают действовать в отношении Зависимой части; (iii) компания «Р-Фарм» должна передать компании «Сайнексис» или распорядиться о том, чтобы ее назначенное лицо (назначенные лица) по Пункту 4.4(b) передали компании «Сайнексис» право собственности на все Заявки IND, Заявки на регистрацию, Регистрации и все прочие документы в целях регулирования, составленные или поданные по Продукту в Зависимой части; и (iv) компания «Р-Фарм» должна передать компании «Сайнексис» все права на использование Товарного знака в отношении Продукта во всех странах в пределах Зависимой части.

(c) If this Agreement is terminated in its entirety by Scynexis pursuant to Section , 4.8, 5.3, 12.2 or 14.5(d) by reason of a breach by R-Pharm, in addition to any other remedies available to Scynexis at law or in equity: (i) R-Pharm shall promptly transfer to Scynexis copies of all data, reports, records and materials in Scynexis' possession or control that relate to the Territory Development Plan and return to Scynexis all relevant records and materials in R-Pharm's possession or control containing Confidential Information of Scynexis (provided that R-Pharm may keep one copy of such Confidential Information of

(c) Если действие настоящего Соглашения в целом прекращено компанией «Сайнексис» на основании Пункта 4.8, 5.3, 12.2 или 14.5(d) по причине нарушения со стороны «Р-Фарм», то, в дополнение к любым иным средствам правовой защиты, доступным компании «Сайнексис» по закону или по праву справедливости: (i) компания «Р-Фарм» должна незамедлительно передать компании «Сайнексис» копии всех данных, отчетов, учетных документов и материалов, находящихся во владении или под контролем «Сайнексис», которые относятся к Плану разработок на Территории, а также вернуть

Scynexis for archival purposes only); (ii) all licenses granted by Scynexis to R-Pharm hereunder shall terminate; (iii) R-Pharm shall transfer to Scynexis ownership of all INDs, Registration Applications, Registrations and other regulatory filings made or filed for the Product; and (iv) R-Pharm shall transfer to Scynexis all rights to use the Trademark with respect to the Product in all countries throughout the Territory. Furthermore, Scynexis shall have a fully-paid, non-exclusive, perpetual right to continue to use patents or know-how that embody or relate to the Inventions described in Section 5.6 solely for the purposes set forth in Section 5.6.

компании «Сайнексис» все соответствующие учетные документы и материалы, находящиеся во владении или под контролем «Р-Фарм» и содержащие Конфиденциальную информацию «Сайнексис» (при условии, что «Р-Фарм» может сохранить одну копию указанной Конфиденциальной информации «Сайнексис» исключительно в целях архивирования); (ii) все лицензии, предоставленные компанией «Сайнексис» компании «Р-Фарм» по настоящему Соглашению, прекращают действовать; (iii) компания «Р-Фарм» должна передать компании «Сайнексис» право собственности на все Заявки IND, Заявки на регистрацию, Регистрации и все прочие документы в целях регулирования, составленные или поданные по Продукту; и (iv) компания «Р-Фарм» должна передать компании «Сайнексис» все права на использование Товарного знака во всех странах в отношении Продукта во всех странах в пределах Территории. Кроме того, «Сайнексис» имеет полностью оплаченное, неисключительное, бессрочное право на продолжение использования патентов или ноу-хау, реализующих Изобретения, описанные в Пункте 5.6, или относящихся к указанным Изобретениям, исключительно в целях, изложенных в Пункте 5.6.

12.4 Accrued Rights; Surviving Obligations.

(a) Termination, relinquishment or expiration of this Agreement for any reason shall be without prejudice to any rights that shall have accrued to the benefit of either Party prior to such termination, relinquishment or expiration. Such termination, relinquishment or expiration shall not relieve either Party from obligations which are expressly indicated to survive termination or expiration of this Agreement.

12.4 Возникшие права; обязательства, продолжающие действовать.

(a) Прекращение действия настоящего Соглашения, отказ от него или истечение срока действия настоящего Соглашения по любой причине не наносит ущерба никаким правам, возникшим в пользу одной из Сторон до указанного прекращения действия, отказа или истечения срока действия. Указанное прекращение действия, отказ или истечение срока действия не освобождает ни одну из Сторон от обязательств, которые, как указано явно, продолжают действовать после

(b) All of the provisions of Sections 7.3, 7.4, 7.5, 10.4, 10.5, 10.6, 10.7, 11, 12.3, 12.4, 14 and 15, and all other provisions in this Agreement which due to their subject matter would ordinarily and reasonably be expected to survive termination, relinquishment or expiration of this Agreement, shall survive termination, relinquishment or expiration of this Agreement for any reason.

прекращения действия или истечения срока действия настоящего Соглашения.

(b) Все положения Пунктов 7.3, 7.4, 7.5, 10.4, 10.5, 10.6, 10.7, 11, 12.3, 12.4, 14 и 15, и все прочие положения настоящего Соглашения, которые вследствие своей сущности могли бы, на основании обычных обоснованных предположений, продолжать действовать после прекращения действия настоящего Соглашения, после отказа от него или после истечения его срока действия, должны продолжать действовать после прекращения действия настоящего Соглашения, после отказа от него или после истечения его срока действия по любой причине.

13. **FORCE MAJEURE.**

(a) *Events of Force Majeure.* Neither Party shall be held liable or responsible to the other Party nor be deemed to be in default under, or in breach of any provision of, this Agreement for failure or delay in fulfilling or performing any obligation of this Agreement when such failure or delay is due to *force majeure,* and without the fault or negligence of the Party so failing or delaying. For purposes of this Agreement, *force majeure* is defined as causes beyond the control of the Party, including, without limitation, acts of God; acts, regulations, or laws of any government; war; civil commotion; destruction of production facilities or materials by fire, flood, earthquake, explosion or storm; labor disturbances; epidemic; and failure of public utilities or common carriers. In such event Scynexis or R-Pharm, as the case may be, shall immediately notify the other Party of such inability and of the period for which such inability is expected to continue. The Party giving such notice shall thereupon be excused

13. **ФОРС-МАЖОРНЫЕ ОБСТОЯТЕЛЬСТВА.**

(a) *Случаи, обусловленные форс-мажорными обстоятельствами.* Ни одна Сторона не должна быть признана ответственной или несущей ответственность перед другой Стороной, и не должна считаться не выполняющей обязательства по настоящему Соглашению или нарушающей какое-либо его положение вследствие неисполнения или просрочки исполнения любого обязательства по настоящему Соглашению, если указанная просрочка или неисполнение обусловлена форс-мажорными обстоятельствами, без вины или небрежности Стороны, допускающей указанные неисполнение или просрочку. В целях настоящего Соглашения форс-мажорные обстоятельства определены как причины, не контролируемые данной Стороной, в том числе, в частности, стихийные бедствия; действия, предписания или законы любого правительства; война; гражданские волнения; уничтожение производственного оборудования или материалов вследствие

from such of its obligations under this Agreement as it is thereby disabled from performing for so long as it is so disabled and the 30 days thereafter. To the extent possible, each Party shall use reasonable efforts to minimize the duration of any *force majeure*.

пожара, наводнения, землетрясения, взрыва или урагана; трудовые беспорядки; эпидемии; а также сбои в работе предприятий общественного пользования или общественных перевозчиков. В указанном случае компания «Сайнексис» или, соответственно, «Р-Фарм» должна незамедлительно уведомить другую Сторону об указанной неспособности и о сроке, в течение которого ожидается продолжение указанной неспособности. Сторона, подавшая указанное уведомление, освобождается от тех ее обязательств по настоящему Соглашению, которые она не способна выполнять по указанной причине, на срок существования указанной неспособности и в течение последующих 30 дней. По возможности каждая Сторона должна принимать разумно необходимые меры для сведения к минимуму продолжительности любых форс-мажорных обстоятельств.

14. **COMPLIANCE WITH LAW AND ETHICAL BUSINESS PRACTICES.**

14. **СОБЛЮДЕНИЕ ЗАКОНОВ И ЭТИЧЕСКИХ НОРМ ВЕДЕНИЯ БИЗНЕСА.**

14.1 Each Party shall perform its obligations under this Agreement in compliance with the requirements of applicable law.

14.1 Каждая Сторона должна выполнять свои обязательства по настоящему Соглашению с соблюдением требований соответствующего законодательства.

14.2 R-Pharm acknowledges that Scynexis' corporate policy requires that Scynexis' business must be conducted within the letter and spirit of the law, including the U.S. Foreign Corrupt Practices Act. By signing this Agreement, R-Pharm agrees to conduct the activities contemplated herein in a manner which is consistent with both law and good business ethics.

14.2 Компания «Р-Фарм» признает, что, согласно требованиям корпоративной политики «Сайнексис», коммерческая деятельность «Сайнексис» должна осуществляться согласно букве и духу закона, включая Закон США о коррупции за рубежом. Посредством подписания настоящего Соглашения «Р-Фарм» соглашается осуществлять деятельность, предусмотренную настоящим Соглашением, таким способом, который совместим как с законом, так и с надлежащей деловой этикой.

14.3 Without limitation of the foregoing, R-Pharm warrants that none of its employees, Agents, officers or other members of its management are officials, officers, Agents, representatives of any government or international public organization. No member of the R-Pharm Group (for purposes of this Section 14, R-Pharm and its Affiliates) has offered or given, or will offer or give, and there is no person that has offered or given on any of their behalf, nor will offer or give, anything of value to any official of a Governmental Authority, any political party or official thereof or any candidate for political office, any customer or member of any Governmental Authority, or any other person, in any such case while knowing or having reason to know that all or a portion of such money or thing of value may be offered, given or promised, directly or indirectly, to any customer or member of any Governmental Authority or any candidate for political office, for the purpose of:

14.3 Без ограничения общности вышеизложенного, компания «Р-Фарм» гарантирует, что никакие из ее работников, Агентов, должностных лиц или иных членов ее руководства не являются ответственными работниками, Агентами, должностными лицами, представителями какого бы то ни было правительства или международной общественной организации. Ни один участник Группы «Р-Фарм» (в целях настоящей Статьи, «Р-Фарм» и ее Аффилированные лица) не предложил и не предоставил, а также не предложит и не предоставит, и не существует никакого лица, которое предложило или предоставило, или предложит или предоставит от имени любого указанного участника какой-либо ценный предмет любому должностному лицу Органа государственной власти, любой политический партии или ее ответственному лицу, или любому кандидату на государственный пост, любому клиенту или члену любого Органа государственной власти, или любому иному лицу, в любом подобном случае сознавая или имея причину сознавать, что указанная денежная сумма или ценный предмет в целом, или их часть, могут быть предложены, предоставлены или обещаны, прямо или косвенно, любому клиенту или члену любого Органа государственной власти, или любому кандидату на государственный пост, в целях:

(a) influencing any action or decision of such person, in such person's official capacity, including a decision to fail to perform such person's official function;

(a) влияния на любое действие или решение указанного лица в рамках должностного положения указанного лица, включая решение о невыполнении официальной функции указанного лица;

(b) inducing such person to use such person's influence with any Governmental Authority to affect or influence any act or decision of such Governmental Authority to assist a member of the R-Pharm

(b) склонения указанного лица к использованию влияния указанного лица в любом Органе государственной власти в целях воздействия или влияния на любое действие или решение указанного Органа

Group in obtaining or retaining business for, with, or directing business to, any person; or

государственной власти по содействию участнику Группы «Р-Фарм» при обеспечении или сохранении коммерческих сделок для любого лица или с любым лицом, или при управлении коммерческими сделками с любым лицом; или

(c) where such payment would constitute a bribe, kickback or illegal or improper payment to assist a member of the R-Pharm Group in obtaining or retaining business for, with, or directing business to, any person.

(c) в случаях, когда указанный платеж мог бы представлять собой взятку, откат или незаконный либо ненадлежащий платеж, в целях содействия участнику Группы «Р-Фарм» при обеспечении или сохранении коммерческих сделок для любого лица или с любым лицом, или при управлении коммерческими сделками с любым лицом.

14.4 No member of the R-Pharm Group nor any of their directors, officers or employees, or representatives, with respect to the business of the Group, has taken or will take any action in violation of applicable:

14.4 Ни один участник Группы «Р-Фарм», а также ни один из их директоров, должностных лиц или работников, или представителей данного участника, в отношении коммерческой деятельности указанной Группы не осуществил и не осуществит никаких действий в нарушение соответствующих:

(a) anti-money laundering or anti-bribery laws;

(a) законов о борьбе с отмыванием незаконных доходов или о борьбе со взяточничеством;

(b) economic sanctions and trade embargo laws;

(b) экономических санкций и законов о торговом эмбарго;

(c) import and export laws, including those regulating (A) the shipment or transfer of goods, equipment, materials, and software from one country or territory to another; or (B) the transfer of technology and services from a national of one country or territory to another.

(c) законов об импорте и экспорте, в том числе регулирующих (A) перевозку или перемещение товаров, оборудования, материалов и программного обеспечения из одной страны или территории в другую; или (B) передачу технологии и услуг от гражданина одной страны или территории в другую страну или территорию.

14.5 No member of the R-Pharm Group nor, so far as R-Pharm is aware, any director, officer or employee of any member of the R-Pharm Group:

14.5 Ни один участник Группы «Р-Фарм», а также, насколько известно компании «Р-Фарм», ни один директор, должностное лицо или работник любого участника Группы «Р-

Фарм»:

(a) is currently subject to any sanctions administered by the U.S. Department of the Treasury ("OFAC") or any similar sanctions imposed by the European Union, the United Nations or any other body, governmental or other (collectively, "Other Economic Sanctions"); or

(a) в настоящее время не подвержен никаким санкциям, введенным Министерством финансов США («OFAC»), или любым аналогичным санкциям, введенным Европейским Союзом, Организацией Объединенных Наций или любой иной организацией, государственной или иной (совместно именуемым «Прочие экономические санкции»); и

(b) R-Pharm will not, directly or indirectly, use any proceeds received by it under this Agreement or lend, contribute or otherwise make available such proceeds to any other person or entity, for the purpose of financing the activities of any person currently subject to any sanctions administered by OFAC or any Other Economic Sanctions.

(b) компания «Р-Фарм» не будет прямо или косвенно использовать никакие поступления, полученные компанией «Р-Фарм» по настоящему Соглашению, а также не будет ссужать, вносить в качестве вклада или иначе предоставлять указанные поступления никакому иному лицу или предприятию, в целях финансирования деятельности любого лица, в настоящее время подверженного любым санкциям, введенным OFAC, или любым Прочим экономическим санкциям.

(c) R-Pharm and its Affiliates have in place internal financial and management controls and procedures that are designed to monitor, audit, detect and prevent any prohibited payments, any violations of sanctions administered by OFAC or any Other Economic Sanctions.

(c) у компании «Р-Фарм» и ее Аффилированных лиц имеются в наличии меры и процедуры внутреннего финансового и управленческого контроля, предназначенные для мониторинга, аудита, выявления и предотвращения любых запрещенных платежей, любых нарушений санкций, установленных OFAC, или любых Прочих экономических санкций.

(d) R-Pharm's failure to abide by the provisions of this Section shall be deemed a material breach of this Agreement. Scynexis may in such case and with immediate effect terminate this Agreement at its sole discretion upon written notice to R-Pharm and without prejudice to any other remedies that may be available to Scynexis.

(d) неспособность компании «Р-Фарм» соблюдать положения настоящей Статьи считается существенным нарушением настоящего Соглашения. В указанном случае компания «Сайнексис» имеет право незамедлительно прекратить действие настоящего Соглашения, исключительно на свое усмотрение, посредством письменного уведомления в адрес «Р-Фарм», без ущерба для любых иных средств правовой защиты,

которые могут быть доступны компании «Сайнексис».

14.6 R-Pharm shall indemnify and hold Scynexis and any of its Affiliates harmless from and against any and all liabilities (including all costs and reasonable attorneys' fees associated with defending against such claims) that may arise by reason of the acts or omissions of R-Pharm or other Third Parties acting on R-Pharm's behalf which would constitute a violation of this Section.

14.6 Компания «Р-Фарм» должна обеспечить возмещение ущерба и освобождение от ответственности компании «Сайнексис» и любого из ее Аффилированных лиц в отношении всех и любых обязательств (включая все расходы и обоснованные гонорары юристов, связанные с возражениями ответчика против указанных претензий), могущих возникнуть по причине действий или упущений компании «Р-Фарм» или иных Третьих Сторон, действующих от имени «Р-Фарм», которые могли бы представлять собой нарушение настоящей Статьи.

15. **MISCELLANEOUS.**

15. **РАЗНОЕ.**

15.1 *Relationship* of *Parties.* Nothing in this Agreement is intended or shall be deemed to constitute a partnership, agency, employer-employee or joint venture relationship between the Parties. No Party shall incur any debts or make any commitments for the other, except to the extent, if at all, specifically provided herein.

15.1 *Взаимоотношения Сторон.* Никакие положения настоящего Соглашения не предназначены для установления нижеуказанных отношений и не должны считаться устанавливающими отношения партнерства, агентские взаимоотношения, отношения работодателя и работника по найму или отношения участников совместного предприятия между Сторонами. Ни одна Сторона не должна брать на себя никакие задолженности и не должна связывать себя никакими обязательствами для другой Стороны, за исключением той степени, в которой это конкретно предусмотрено настоящим Соглашением, если это предусмотрено.

15.2 Assignment. Any Party may not assign its rights or duties hereunder without the express written consent of the other Party, except that such Party may assign all, but not less than all, of its rights and transfer its duties hereunder to any assignee of all or substantially all of its business (or that portion

15.2 *Передача прав.* Стороны не могут передать свои права или обязанности по настоящему Соглашению без предварительного письменного согласия другой Стороны, за исключением того, что такая Сторона может передать все, но не менее чем все свои права по настоящему

thereof to which this Agreement relates) or in the event of this Party's merger, consolidation or involvement in a similar transaction. No assignment and transfer by such Party shall be valid or effective, and shall be void, unless done in accordance with this Section 15.2 and unless and until the assignee/transferee shall agree in writing to be bound by the provisions of this Agreement. Scynexis may assign all or any part of this Agreement and/or its rights and duties hereunder freely so long as the assignee/transferee shall agree in writing to be bound by this Agreement; provided, however, the assignee/ transferee shall cooperate in good faith with R-Pharm to effect any such assignment in a manner which appropriately considers the time and costs involved for R-Pharm.

Соглашению и передать свои обязанности по настоящему Соглашению любому преемнику всей или почти всей коммерческой деятельности такой Стороны (или той ее части, к которой относится настоящее Соглашение), и за исключением случая слияния или консолидации компании данной Стороны или ее участия в аналогичной сделке. Никакая передача и переуступка со стороны такой Стороны не является законной и действительной и не имеет юридической силы, если она не осуществлена в соответствии с настоящим Пунктом, и до тех пор, пока соответствующий правопреемник/получатель прав не согласится в письменном виде быть связанным положениями настоящего Соглашения. Компания «Сайнексис» может уступить все или любую часть настоящего Соглашения и/или своих прав и обязанностей по настоящему Соглашению свободно в случае если правопреемник/получатель прав дал согласие в письменной форме быть связанным положениями настоящего Соглашения; при условии, однако, что правопреемник/ получатель прав должен добросовестно взаимодействовать с компанией «Р-Фарм» для придания юридической силы такой уступке способом, который приемлем, исходя из временных и финансовых затрат для компании «Р-Фарм».

15.3 *Books and Records*. Any books and records to be maintained under this Agreement by a Party or its Affiliates shall be maintained in accordance with generally accepted accounting principles, consistently applied.

15.3 *Бухгалтерские книги и учетные документы.* Любые бухгалтерские книги и учетные документы, подлежащие ведению на основании настоящего Соглашения Стороной или ее Аффилированными лицами, должны вестись в соответствии с общепринятыми принципами бухгалтерского учета, применяемыми согласованно.

15.4 *Further Actions*. Each Party shall execute, acknowledge and deliver such further instruments, and do all such other acts, as may

15.4 *Дополнительные действия.* Каждая Сторона должна оформлять, подтверждать и представлять такие дополнительные

be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

Scynexis and R-Pharm agree that they will duly cooperate in execution and registering with required governmental authorities this Agreement and/or any other agreements (including, entering into separate license agreements, as applicable) in accordance with which R-Pharm and/or Scynexis are granted rights and licenses in order to effectuate the rights and licenses granted hereunder. Scynexis and R-Pharm shall execute and cause any Third Parties to execute any and all documents and perform and cause any other Third Parties to perform any and all actions necessary to ensure that this Agreement and/or any other agreements granting R-Pharm and/or Scynexis rights and licenses duly comply with all applicable government requirements. All costs of filings such documents in the Territory shall be borne by R-Pharm.

документы, и осуществлять все прочие действия, которые могут быть необходимы или уместны для осуществления целей и намерения настоящего Соглашения.

«Сайнексис» и «Р-Фарм» соглашаются должным образом взаимодействовать в целях заключения и регистрации в уполномоченных правительственных органах настоящее Соглашение и/или иные соглашения (включая, заключение отдельных лицензионных соглашений, если применимо) в соответствии с которыми «Р-Фарм» и/или «Сайнексис» предоставляются лицензии и права в целях приведения в действие прав и лицензий, предоставленных настоящим Соглашением. «Сайнексис» и «Р-Фарм» обязуются обеспечить подписание любыми Третьими лицами всех необходимых документов и совершение любых действий, необходимых для обеспечения того, чтобы настоящее Соглашение и /или иные соглашения, предоставляющее «Р-Фарм» и/или «Сайнексис» права и лицензии соответствовало всем применимым требованиям. Все расходы на подачу таких документов на Территории несет компания «Р-Фарм».

15.5 *Notice.*

(a) Any notice or request required or permitted to be given under or in connection with this Agreement shall be deemed to have been sufficiently given if in writing and personally delivered or sent by certified mail (return receipt requested), facsimile transmission (receipt verified), or overnight express courier service (signature required), prepaid, to the Party for which such notice is intended, at the address set forth for such Party below:

15.5 *Уведомления.*

(a) Любое уведомление или требование, которое необходимо или разрешено подать в соответствии или в связи с настоящим Соглашением, считается достаточным образом поданным, если оно подано в письменном виде и доставлено лично либо отправлено посредством заказного письма (с уведомлением о вручении), факсимильной связи (с подтверждением получения) или курьерской службы с доставкой на следующий день (требуется подпись), с предоплатой, той Стороне, которой предназначено данное сообщение, по адресу, указанному ниже для

данной Стороны:

In the case of Scynexis, to:

Scynexis, Inc.

3501C Tricenter Blvd

Durham, NC 27713

Attention: General Counsel

Facsimile No.: +1-919-544-8697

В случае «Сайнексис», по адресу:

«Сайнексис, Инк.»

3501C Tricenter Blvd

Durham, NC 27713

Вниманию: Генерального советника

№ факса: +1-919-544-8697

In the case of R-Pharm, to:

R-Pharm, CJSC

Berzarina str.

19 bld. 1

117105 Moscow, Russia

Attention: General director

Facsimile No.: + 7-495-956-7938

В случае «Р-Фарм», по адресу:

ЗАО «Р-Фарм»

Российская Федерация, 117105 Москва

улица Берзарина, д. 19, строение 1

Вниманию: Генерального директора

№ факса: + 7 -495 -956-7938

(b) All correspondence, notices and other communications of any kind whatsoever given between the Parties, including, without limitation, all data, information and reports relating to the Development Plan and all regulatory filings, shall be promptly provided to the other Party in English, or as an English translation thereof, as the case may be.

(b) Вся переписка, уведомления и прочие сообщения любого рода, подаваемые Сторонами друг другу, включая, в частности, все данные, сведения и отчеты, относящиеся к Плану разработки, и все документы, подаваемые в целях регулирования, должны незамедлительно предоставляться другой Стороне на английском языке, или, соответственно, в виде английского перевода данного текста.

15.6 *Use of Name.* Except as otherwise provided herein, neither Party shall have any right, express or implied, to use in any manner the name or other designation of the other Party or any other trade name or trademark of the other Party (including, without limitation, the Trademark) for any purpose in connection with the performance of this Agreement.

15.6 *Использование наименования.* За исключением случаев, когда иное предусмотрено в настоящем Соглашении, ни одна Сторона не имеет никакого права, явного или подразумеваемого, на использование, любым образом, наименования или иного обозначения другой Стороны, или любого иного фирменного наименования или товарного знака другой Стороны (включая, в частности, Товарный знак) для любой цели, связанной с

выполнением настоящего Соглашения.

15.7 *Public Announcements.* Except as permitted by Section 10.3, neither Party shall make any public announcement concerning this Agreement or the subject matter hereof without the prior written consent of the other Party, which shall not be unreasonably withheld, provided that it shall not be unreasonable for a Party to withhold consent with respect to any public announcement containing any of such Party's Confidential Information.

15.7 *Публичные объявления.* За исключением разрешенного Пунктом 10.3, ни одна Сторона не должна делать никаких публичных объявлений относительно настоящего Соглашения или его предмета без предварительного письменного согласия другой Стороны, в котором не должно быть необоснованно отказано, при условии, что для Стороны не является необоснованным отказ в предоставлении согласия на любое публичное объявление, содержащее любую Конфиденциальную информацию указанной Стороны.

15.8 *Waiver.* A waiver by either Party of any of the terms and conditions of this Agreement in any instance shall not be deemed or construed to be a waiver of such term or condition for the future, or of any subsequent breach hereof. All rights, remedies, undertakings, obligations and agreements contained in this Agreement shall be cumulative and none of them shall be in limitation of any other remedy, right, undertaking, obligation or agreement of either Party.

15.8 *Отказ от требований.* Отказ любой из Сторон от требований по любому из условий настоящего Соглашения в любом случае не должен рассматриваться или истолковываться как отказ от требований по данному условию в будущем, или по любому его последующему нарушению. Все права, средства правовой защиты, положения, обязательства и согласия, содержащиеся в настоящем Соглашении, являются кумулятивными, и ни одно из них не является ограничением ни для какого иного средства правовой защиты, положения, обязательства или согласия любой из Сторон.

15.9 *Compliance with Law.* Nothing in this Agreement shall be deemed to permit a Party to export, reexport or otherwise transfer any Product sold under this Agreement without compliance with applicable laws.

15.9 *Соблюдение законодательства.* Никакое положение настоящего Соглашения не должно считаться позволяющим Стороне осуществлять экспорт, реэкспорт или иное перемещение Продукта, проданного на основании настоящего Соглашения, без соблюдения соответствующих законов.

15.10 *Severability.* When possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by or

15.10 *Делимость.* По возможности, каждое положение настоящего Соглашения будет интерпретироваться таким образом, чтобы быть законным и действительным по соответствующему закону, но если какое-либо положение настоящего Соглашение

invalid under applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of this Agreement.

признано запрещенным или недействительным по соответствующему закону, то указанное положение будет недействительным только в той степени, в которой существует указанный запрет или недействительность, не лишая законной силы оставшуюся часть настоящего Соглашения.

15.11 *Amendment.* No amendment, modification or supplement of any provisions of this Agreement shall be valid or effective unless made in writing and signed by a duly authorized officer of each Party.

15.11 *Поправки.* Никакие поправки, изменения или дополнения в отношении любых положений настоящего Соглашения не являются действительными или действующими, если они не составлены в письменном виде и не подписаны надлежащим образом уполномоченным должностным лицом каждой из Сторон.

15.12 Governing Law*; English Original Controlling*. This Agreement shall be governed by and interpreted in accordance with the laws of the [*] without regard to conflicts of law principles. This Agreement is written and executed in the English and Russian languages. In the event of any conflict in interpretation between the English, Russian, or any other language versions of this Agreement, the English version shall prevail.

15.12 *Регулирующее законодательство; преимущественная сила оригинала на английском языке.* Настоящее Соглашение регулируется законами [*] и интерпретируется в соответствии с указанными законами, без учета принципов коллизионного права. Оригинал настоящего Соглашения на английском языке имеет преимущественную силу по отношению к любым его переводам. Настоящее Соглашение составлено на английском и русском языках. В случае расхождений в истолковании настоящего Соглашения между английской, русской версиями или версией на любом ином языке, английская версия имеет преимущественную силу.

15.13 Arbitration. Any dispute, controversy, or claim arising out of or relating to this Agreement, or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the [*] in effect on the Effective Date of this Agreement. The number of arbitrators shall be three. The place of arbitration shall be [*]. The language to be used in the arbitral proceedings shall be English. In addition to the authority conferred upon the arbitral tribunal by the [*], the arbitral

15.13 Арбитраж. Любые споры, противоречия или претензии, возникающие из настоящего Соглашения или в связи с ним, или в связи с нарушением, прекращением или недействительностью настоящего Соглашения, должны быть урегулированы в соответствии с [*], действующими на Дату вступления в силу настоящего Соглашения. Рассмотрение осуществляется тремя арбитрами. Место разбирательства [*]. Языком арбитражного разбирательства

tribunal shall have the authority to order discovery in accordance with the [*].

должен быть английский. В дополнение к полномочиям, предоставленным трибуналу, [*], арбитражный трибунал также наделяется полномочиями на выдачу приказа о предоставлении документов в соответствии с [*].

15.14 *Entire Agreement.* This Agreement and the other documents and agreements executed in connection herewith and therewith, together with the schedules and exhibits to any of the foregoing, sets forth the entire agreement and understanding between the Parties as to the subject matter hereof and merges all prior discussions and negotiations between them, and neither of the Parties shall be bound by any conditions, definitions, warranties, understandings or representations with respect to such subject matter other than as expressly provided herein or as duly set forth on or subsequent to the date hereof in writing and signed by a proper and duly authorized officer or representative of the Party to be bound thereby.

15.14 *Соглашение в целом.* Настоящее Соглашение и прочие документы и соглашения, оформленные в связи с настоящим Соглашением и в связи с вышеизложенным, вместе со всеми приложениями и дополнениями к любым из вышеуказанных документов, излагают соглашение в целом и договоренность между Сторонами в отношении предмета настоящего Соглашения и объединяют в себе все предыдущие обсуждения и переговоры между Сторонами, и ни одна из Сторон не связана никакими условиями, определениями, гарантиями, договоренностями или заявлениями в отношении указанного предмета, отличными от тех, что предусмотрены явно в настоящем Соглашении, или надлежащим образом изложены на дату настоящего Соглашения либо впоследствии в письменном виде, за подписью надлежащего и должным образом уполномоченного должностного лица или представителя Стороны, которая должна быть связана вышеуказанным.

15.15 *Parties in Interest.* All of the terms and provisions of this Agreement shall be binding upon, inure to the benefit of and be enforceable by the Parties hereto and their respective permitted successors and assigns.

15.15 *Заинтересованные стороны.* Все условия настоящего Соглашения являются обязательными для Сторон по настоящему Соглашению и для их соответствующих разрешенных преемников и правопреемников, действуют в их пользу и обеспечены правовой санкцией с их стороны.

15.16 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

15.16 *Описательные заголовки.* Описательные заголовки в настоящем Соглашении приведены только для удобства, они не имеют силы или действия при

provisions of this Agreement.

15.17 *Counterparts*. This Agreement may be executed simultaneously in any number of counterparts, but all such counterparts taken together shall constitute one and the same agreement.

15.18 *Parties addresses and bank details.*

Scynexis
Scynexis, Inc.

3501C Tricenter Blvd.
Durham, NC 27713

Banking Details:
[*]
Account Name: SCYNEXIS, Inc.
Acct # [*]
SWIFT ID: [*]
Routing/ABA# [*]

R-Pharm
Closed Joint Stock Company «R-Pharm»
Legal address: 117105, Russia, Moscow, Nagorny proezd, 12, premises 1.
TIN 7726311464
RNNBO 11275036
Mail address: 123154, Russia, Moscow, Berzarina str., 19/1
Fax number: + 7 495 956 79 38
Banking details:
[*]
Currency account: [*]
Correspondent account: [*]

* * *

толковании или интерпретации каких-либо положений настоящего Соглашения.

15.17 *Экземпляры.* Настоящее Соглашение может быть оформлено одновременно в любом количестве экземпляров, но все указанные экземпляры, взятые вместе, представляют собой одно и то же соглашение.

15.18 *Адреса Сторон и их банковские реквизиты.*

Компания «Сайнексис»
Сайнексис Инк.

3501C Tricenter Blvd.
Durham, NC 27713

Банковские реквизиты:
[*]
Account Name: SCYNEXIS, Inc.
Acct #[*]
SWIFT ID: [*]
Routing/ABA#[*]

Компания «Р-Фарм»
Закрытое акционерное общество «Р-Фарм»
Место нахождения: 117105, г. Москва, Нагорный пр., 12, стр. 1
ИНН 7726311464
ОКПО 11275036
Почтовый адрес: 123154, г. Москва, ул. Берзарина, 19, кор. 1
Номер факса: + 7 495 956 79 38
Банковские реквизиты:
[*]
в/с [*]
Кор. счет: [*]

* * *

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed by its duly authorized representative as of the day and year first above written.

В ПОДТВЕРЖДЕНИЕ ЧЕГО каждая из Сторон распорядилась о заключении настоящего Соглашения своим надлежащим образом уполномоченным представителем на дату, указанную первой в начале настоящего документа.

R-Pharm

By: /s/ Vasily Ignatiev

Name: Vasily Ignatiev

Title: CEO

«Р-Фарм»

Подписал: /s/ Vasily Ignatiev

Имя, фамилия: Vasily Ignatiev

Должность: CEO

SCYNEXIS, INC.

By: /s/ Yves J. Ribeill

Name: Yves J. Ribeill

Title: Presient & CEO

«САЙНЕКСИС, ИНК.»

Подписал: /s/ Yves J. Ribeill

Имя, фамилия: Yves J. Ribeill

Должность: Presient & CEO

EXHIBIT A
PATENTS

[*]

ПРИЛОЖЕНИЕ А
ПАТЕНТЫ

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

EXHIBIT B

INITIAL MEMBERS OF TERRITORY DEVELOPMENT COMMITTEE

A. Initial Designees of Scynexis:

[*]

B. Initial Designees of R-Pharm:

[*]

ПРИЛОЖЕНИЕ В

ПЕРВОНАЧАЛЬНЫЕ УЧАСТНИКИ КОМИТЕТА ПО РАЗРАБОТКАМ НА ТЕРРИТОРИИ

A. Первоначальные лица, назначенные компанией «Сайнексис»:

[*]

B. Первоначальные лица, назначенные компанией «Р-Фарм»:

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

EXHIBIT C

GLOBAL DEVELOPMENT PLAN

[*]

ПРИЛОЖЕНИЕ С

ГЛОБАЛЬНЫЙ ПЛАН РАЗРАБОТОК

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

EXHIBIT D

TERRITORY DEVELOPMENT PLAN

Anti-fungal glucan synthesis inhibitor, SCY-078

For Treatment and Prevention of Fungal Infections

[*]

ПРИЛОЖЕНИЕ D

ПЛАН РАЗРАБОТОК НА ТЕРРИТОРИИ

Противогрибковые средство группы ингибиторов синтеза глюкана, SCY-078

Для лечения и профилактики грибковых инфекций

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit 10.11

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is made and entered into as of August 7th, 2012 (the "**Effective Date**") by and between **SCYNEXIS, INC.**, a Delaware corporation having its principal place of business at 3501C Tricenter Boulevard, Durham, NC 27713 USA ("**Licensor**"), and **Dechra Ltd** of Dechra House, Jamage Industrial Estate, Talke Pits, Stoke-on-Trent, ST7 1XW, United Kingdom ("**Licensee**"). Licensor and Licensee are sometimes referred to herein individually as a "Party" and collectively as the "Parties."

BACKGROUND

A. Licensor is a biotechnology company that has expertise in the field of cyclosporin derivative human and animal therapeutics.

B. Licensee is an international pharmaceutical business focused on the veterinary market with its key area of specialization being the development and marketing of companion animal products.

C. Licensor desires to grant to Licensee, and Licensee desires to receive, a license to develop and commercialize SCY-641, which is [*] ("**SCY-641**") in the ophthalmic animal health field based on the terms and conditions set forth below.

NOW THEREFORE, Licensor and Licensee agree as follows:

1. DEFINITIONS

Capitalized terms used in this Agreement (other than the headings of the Sections or Articles) shall have the following meaning set forth in this Article 1, or, if not listed in this Article 1, the meaning as designated in the text of this Agreement.

1.1 "Affiliate" means, with respect to a particular Party, a person, corporation, partnership, or other entity that controls, is controlled by or is under common control with such Party. For the purposes of the definition in this Section 1.1, the word "control" (including, with correlative meaning, the terms "controlled by" or "under the common control with") means the actual power, either directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of such entity, whether by the ownership of at least fifty percent (50%) of the voting stock of such entity, or by contract or otherwise.

1.2 "Compound" means SCY-641.

1.3 "Control" or **"Controlled"** means, with respect to any material, particular item of Information or intellectual property right, (i) that the Party owns and has the ability to grant to the other Party the license to such item provided for herein, without violating the terms of any

agreement or other arrangement with any Third Party, and/or (ii) that the Party has a license to such item and has the ability to grant to the other Party the license to such item provided for herein, without violating the terms of any agreement or other arrangement with any Third Party.

1.4 "Licensor Know-How" means all information described in Exhibit 1.7 necessary or reasonably useful for the development, manufacture and/or commercialization of the Compound or Product in the Field in the Territory.

1.5 "Licensor Patent Rights" means the Patents listed on Exhibit 1.7.

1.6 "Field" means the animal health field.

1.7 "First Commercial Sale" means for each Product on a country-by-country basis, the first commercial sale in such country after regulatory approval of such Product in such country.

1.8 "GAAP" means the United States generally accepted accounting principles, consistently applied.

1.9 "IAS-IFRS" means an integrated system of International Accounting Standards and International Financial Reporting Standards, consistently applied.

1.10 "Information" means information, material, results and data of any type whatsoever, in any tangible or intangible form whatsoever, including without limitation, databases, inventions, practices, methods, techniques, specifications, formulations, formulae, cell lines, cell media, knowledge, know-how, skill, experience, manufacturing materials, financial data, test data including pharmacological, biological, chemical, biochemical, toxicological and clinical test data, analytical and quality control data, quality assurance data, stability data, studies and procedures, and patent and other legal information or descriptions.

1.11 "Major Country" means any of the following countries, and their respective territories and possessions: United States, United Kingdom, Germany, Italy, France and Spain.

1.12 "Net Sales" means the gross amount invoiced or otherwise charged by Licensee or its Affiliates or sublicensees for the sale of any Product to any Third Party, less the following deductions (calculated in accordance with GAAP or IAS-IFRS, as applicable) to the extent actually incurred or allowed in connection with such sale of such Product: (i) reasonable and customary cash, trade and quantity discounts; (ii) allowances for returned or rejected Product or retroactive price reductions; (iii) sales, value-added (to the extent not otherwise refunded, credited or reimbursed) and other direct taxes on the sale of Product (other than income taxes), if invoiced to the purchaser; (iv) chargebacks and corrections for overbilling; and (v) bad debt actually written-off during the applicable period.

1.13 "Patents" means all: (i) United States patents, re-examinations, reissues, renewals, extensions and term restorations, supplementary protection certificates, inventors' certificates and foreign counterparts thereof; (ii) pending applications for United States patents,

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including provisional applications, continuations, continuations-in-part, continued prosecution, divisional and substitute applications; and (iii) foreign counterparts of the foregoing.

1.14 "Product" means any product containing the Compound for use in the Field.

1.15 "Regulatory Authority" means any governmental authority, including without limitation the United States Food and Drug Administration or the European Medicines Agency, with responsibility for granting any licenses or approvals necessary for the clinical testing, marketing and sale of a Product in any country.

1.16 "Territory" means the world.

1.17 "Third Party" means any person or entity other than Licensor, Licensee or an Affiliate of Licensor or Licensee.

1.18 "Valid Claim" means: (i) any claim in an issued Patent in Licensor Patent Rights that has not expired, been canceled, been declared invalid, or been admitted to be invalid or unenforceable through reissue, disclaimer or otherwise; or (ii) a claim under a pending application for a Patent in Licensor Patent Rights that has not been abandoned, canceled, withdrawn from consideration, or finally determined to be unallowable in a decision from which no appeal can be taken. For clarity, on a country-by-country basis, a Valid Claim shall include any patent claim that has been declared invalid (pending appeal) if and to the extent that such invalidity does not prejudice enforceability of the relevant Patent in accordance with local laws of any such country.

2. LICENSE AND OTHER RIGHTS

2.1 License to Licensee. Subject to the terms and conditions of this Agreement, Licensor hereby grants to Licensee and Licensee hereby accepts:

2.1.1 an exclusive, royalty-bearing license (with the right to sublicense) under the Licensor Patent Rights to make and have made (in compliance with Section 3.2), use, develop, sell, offer for sale and import Products in the Field in the Territory; and

2.1.2 an exclusive, royalty-bearing license (with the right to sublicense), under the Licensor Know-Flow, to make and have made (in compliance with Section 3.2), use, develop, sell, offer for sale and import Products in the Field in the Territory.

2.2 License to Licensor. Subject to the terms and conditions of this Agreement, Licensee hereby grants to Licensor and Licensor hereby accepts, a non-exclusive, fully paid up license (with the right to sublicense) to receive and use all information, data and regulatory documentation generated by Licensee and its Affiliates, agents and sub-licensees relating to the Compound and/or any Product for any purpose outside the Field. Licensee hereby grants to Licensor and Licensor hereby accepts, a non-exclusive, fully paid up license (with the right to sublicense) to any improvements to the Licensor Patent Rights for any purpose outside the Field.

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2.3 Retained Rights. Licensor retains all rights and interest in and to the Licensor Patents, Compound and Product(s) outside the scope of the license granted to Licensee under Section 2.1, including the sub-licensable right to develop, manufacture and commercialize the Compound and/or any Product outside the Field or Territory. Licensor also retains the right to use Licensor Know-How in the Field for research purposes.

2.4 Negative Covenants. Licensee and its Affiliates shall not, and shall use commercially reasonable efforts to ensure that their sublicensees do not, practice or sublicense Licensor Patent Rights and/or Licensor Know-How outside the scope of the license granted in Section 2.1.

2.5 No Additional Licenses. Except for the express license granted in this Article 2, neither Party shall be granted any license (either express, implied or by estoppel to the Patents or Information Controlled by the other Party.

2.6 Additional Countries. Should Licensee wish to register the Product for sale in countries other than [*], then [*]. Should licensee wish to register the Product in [*] the parties shall [*].

3. TRANSFER OF KNOW-HOW; OTHER OBLIGATIONS

3.1 Transfer of Licensor Know-How. Within [*] of the Effective Date, Licensor shall commence the disclosure and transfer to Licensee of Licensor Know-How agreed upon by the Parties.

3.2 Product Supply. Should Licensee require the manufacture and supply of the Compound for commercial or other purposes, Licensee shall notify Licensor. If Licensor indicates to Licensee that it is interested in manufacturing and supplying such Compound, the Parties will enter into good faith discussions for a corresponding commercial agreement. If, after [*], the Parties are unable to come to an agreement on a commercial manufacture and supply arrangement, Licensee may enter into discussions with any bona fide Third Party, provided that [*].

3.3 Diligence. Licensee shall use commercially reasonable efforts to develop, obtain Regulatory Approval for, and commercialize the Product in each Major Country. Such efforts shall be no less than those efforts an animal health company of the size of Licensee would make with respect to an animal health product of comparable commercial potential, stage of development, and medical/scientific, technical and regulatory profile. Specifically, Licensee shall [*]. Any [*] shall be brought to the attention of Licensor and discussed at a meeting attended by senior executives of each Party.

3.4 Regulatory and CMC Responsibilities.

3.4.1 Regulatory. Licensee and/or its agents shall assume all responsibility for all correspondence and communication relating to the Product with Regulatory Authorities. Licensee shall keep such records and make such reports as shall be reasonably necessary to

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document communications to Regulatory Authorities in compliance with all applicable regulatory requirements.

3.4.2 Adverse Event Reporting. Licensee shall be responsible for the adverse experience and safety reporting for the Product in the Field in compliance with the requirements all applicable laws and regulations.

3.5 Exchange of Information. Licensee shall provide Licensor with detailed quarterly written reports on the progress of Licensee's efforts to develop and commercialize Products. Parties shall meet no less than [*] (in person or by teleconference) for an update on the progress of development program.

3.6 Compliance with Laws. Licensee shall perform, and shall use commercially reasonable efforts to ensure that its Affiliates, sublicensees and Third Party contractors perform, all development and commercialization activities for which it is responsible under this Agreement in good scientific and medical manner and in compliance with all applicable laws, rules and regulations.

4. FINANCIAL TERMS

4.1 Up-front Payment. Upon execution of this Agreement, Licensee shall pay Licensor an up-front fee of £[*]. Such up-front fee shall be nonrefundable and noncreditable. Payment shall be made in accordance with Section 4.6 below. The bank account designated by Licensor is as follows:

Bank:	[*]
Account Name:	SCYNEXIS, Inc.
Account No.:	[*]
SWIFT ID:	[*]
Routing/ABA No.:	[*]

4.2 Milestone Payments. Licensee shall pay Licensor the amounts set forth below upon the first occurrence of the events described below for any Product. Licensee shall notify Licensor in writing within [*] of the achievement of each such event. All milestone payments shall be nonrefundable and shall be paid by Licensee within [*] after the occurrence of such event. The milestone payment for [*] shall be [*].

Milestone Event	Amount
[*]	£ [*]
[*]	£ [*]

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4.3 Royalties. Licensee shall pay Licensor royalties equal to the percentages of the Net Sales of all Products as described below:

On total Net Sales of all Products up to US$ [*]	[*]%
On the portion of total Net Sales of all Products exceeding US$ [*] and up to US$ [*]	[*]%
On the portion of total Net Sales of all Net Products exceeding US$ [*]	[*]%

4.4 Licensee's obligation to pay royalties shall last, on a Product-by-Product and country by country basis, until the later to expire of: (i) all Valid Claims in such country; and (ii) twelve (12) years after the First Commercial Sale of such Product in such country. It shall be understood that sales of Product by Licensee that are no longer royalty bearing under this Section 4.4 shall not be included in total Net Sales of all Products under Section 4.3 above.

4.5 Reports. Within [*] after the end of the calendar quarter in which the First Commercial Sale in any country occurs, and on each calendar quarter thereafter, Licensee shall send to Licensor a report of estimated Net Sales of Products in sufficient detail on a country-by-country basis to permit Licensor to reasonably determine the amount of royalty payments accrued during such preceding quarter, including the number of Products sold, the gross sales and Net Sales of Products, the royalties payable (in dollars), the method used to calculate the royalty, and the exchange rates used. Within [*] after the end of the calendar semester (i.e., the six (6) month period beginning January 1 and ending June 30, and the six (6) month period beginning July 1 and ending December 31, as applicable) in which the First Commercial Sale in any country occurs, and on each calendar semester thereafter, Licensee shall send to Licensor: (i) a payment of all royalties owed to Licensor for such semester; and (ii) a report of Net Sales of Products in sufficient detail on a country-by-country basis to permit confirmation of the accuracy of the royalty payment made, including the number of Products sold, the gross sales and Net Sales of Products, the royalties payable (in dollars), the method used to calculate the royalty, and the exchange rates used.

4.6 Payments. All references to "**dollars**" or "**$**" means the legal currency of the United States. All references to "pounds" or "**£**" means the legal currency of the United Kingdom. All amounts due to Licensor by Licensee under this Agreement shall be paid in dollars by wire transfer in immediately available funds to an account designated by Licensor. If any currency conversion shall be required in connection with any payment or accounting of costs and expenses under this Agreement, such conversion shall be made by using the average of the exchange rates for the purchase of dollars as published in *The Wall Street Journal*, *Eastern Edition*, or a comparable publication, of the last business day of each of the three (3) months immediately preceding the date on which such payment is made. If Licensee is prevented from paying Licensor any royalties in a given country because the local currency is blocked and cannot be removed from the country, then Licensee shall promptly pay Licensor in the local currency by deposit in a local bank designated by Licensor, to the extent permitted by local law.

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4.7 Withholding of Taxes. Licensee may withhold from payments due to Licensor amounts for payment of any withholding tax that is required by law to be paid to any taxing authority with respect to such payments. Licensee shall provide to Licensor all relevant documents and correspondence, and shall also provide to Licensor any other cooperation or assistance on a reasonable basis as may be necessary to enable Licensor to claim exemption from such withholding taxes and to receive a full refund of such withholding tax or claim a foreign tax credit. Licensee shall give proper evidence from time to time as to the payment of such tax. Licensee may treat Licensor as a US resident person if it has provided a valid Form W-9 or equivalent or a signed statement concerning its permanent residence address and Taxpayer Identification Number ("**TIN**").

4.8 Late Payments. Any amounts not paid by Licensee when due under this Agreement shall be subject to interest from and including the date payment is due through and including the date upon which Licensor has received payment at a rate equal to [*] the prime rate of interest quoted in the Money Rates section of *The Wall Street Journal, Eastern Edition*, calculated daily on the basis of a 365-day year, or similar reputable data source, or, if lower, the highest rate permitted under applicable law.

4.9 Records and Audit. During the term of this Agreement and for a period of [*] thereafter, Licensee shall keep complete and accurate records pertaining to the development, manufacture, use, sale or other disposition of the Products, in sufficient detail to permit Licensor to confirm the accuracy of all payments due hereunder and compliance with the diligence obligations set forth in this Agreement. Licensor shall have the right to cause an independent, certified public accountant reasonably acceptable to Licensee, to audit such records to confirm the accuracy of Licensee's payments; provided, however, that such auditor shall not disclose Licensee's confidential information to Licensor, except to the extent such disclosure is necessary to verify the payments due under this Agreement. Licensor shall bear the full cost of such audit unless such audit discloses an underpayment of more than [*] from the amounts previously paid for the audited period. In such case, Licensee shall bear the full cost of such audit. Licensee shall remit any underpayment identified by such audit (plus applicable interest) to Licensor within [*] of the results of such audit. Reciprocally, if the audit discloses an overpayment from the amount of royalties previously paid by Licensee, Licensor shall remit any such overpaid amount (plus applicable interest) to Licensee within [*] of the results of such audit. The terms of this Section 4.8 shall survive any termination or expiration of this Agreement for a period of [*].

4.10 Separate Agreement. On the Effective Date, the Parties shall enter into a separate agreement (the " **cGMP Product Agreement**") whereby Licensee will contract with Licensor for Licensor to develop a route to the Compound prepared to clinical Good Manufacturing Product standard ("**cGMP Product**") and to supply Licensee with cGMP Product for use in the clinical development program.

4.11 [*]. In the event that Licensor enters into a transaction granting a third party rights to develop and commercialize the Compound in the human health field (a "**Human Health Transaction**"), Licensor shall [*] to [*] of [*] under the [*].

5. CONFIDENTIALITY

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5.1 Nondisclosure of Confidential Information. For all purposes hereunder, "Confidential Information" shall mean all Information disclosed by one Party to the other Party pursuant to this Agreement. During the term of this Agreement and for a period of [*] thereafter, a Party receiving such item of Confidential Information of the other Party will (i) maintain in confidence such item of Confidential Information and not disclose such item of Confidential Information to any Third Party without prior written consent of the other Party, except for disclosures made in confidence to any Third Party under terms consistent with this Agreement and made in furtherance of this Agreement or of rights granted to a Party hereunder, and (ii) not use the other Party's Confidential Information for any purpose except those permitted by this Agreement.

5.2 Exceptions. The obligations in Section 5.1 shall not apply with respect to any portion of the Confidential Information that the receiving Party can show by competent written proof:

(a) Is publicly disclosed by the disclosing Party, either before or after it is disclosed to the receiving Party hereunder;

(b) Was known to the receiving Party or any of its Affiliates, without obligation to keep it confidential, prior to disclosure by the disclosing Party;

(c) Is subsequently disclosed to the receiving Party or any of its Affiliates by a Third Party lawfully in possession thereof and without obligation to keep it confidential;

(d) Is published by a Third Party or otherwise becomes publicly available or enters the public domain, either before or after it is disclosed to the receiving Party; or

(e) Has been independently developed by employees or contractors of the receiving Party or any of its Affiliates without the aid, application or use of Confidential Information of the disclosing Party.

5.3 Authorized Disclosure. Each Party may disclose the Confidential Information belonging to the other Party to the extent such disclosure is reasonably necessary in the following instances:

(a) Filing or prosecuting patents relating to Products;

(b) Regulatory filings;

(c) Prosecuting or defending litigation;

(d) Complying with applicable governmental regulations; and

(e) Disclosure, in connection with the performance of this Agreement, to Affiliates, sublicensees, research collaborators, employees, consultants, or agents, each of

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whom prior to disclosure must be bound by similar obligations of confidentiality and non-use at least equivalent in scope to those set forth in this Article 5.

The Parties acknowledge that the terms of this Agreement shall be treated as Confidential Information of both Parties. Such terms may be disclosed by a Party to investment bankers, investors, and potential investors (and by Licensee to potential sub-licensees and distributors), each of whom prior to disclosure must be bound by obligations of confidentiality and non-use at least equivalent in scope to those set forth in this Article 5. In addition, a copy of this Agreement may be filed, furnished or submitted to the Securities and Exchange Commission by Licensor. In connection with any such filing, Licensor shall endeavor to obtain confidential treatment of economic and trade secret information and shall deliver to Licensee in advance of any filing a redacted copy of this Agreement to enable Licensee to give comments and suggestions on economic and trade secret information to be kept confidential.

In any event, the Parties agree to take all reasonable action to avoid disclosure of Confidential Information except as permitted hereunder.

5.4 Press Releases. Each Party shall be entitled to issue a press release, as approved by both Parties and attached hereto as Exhibit 5.4, upon the execution of this Agreement. If either Party desires to make any subsequent public announcement (e.g. press release) concerning the terms of this Agreement or the activities hereunder, such Party shall give reasonable advance notice of the proposed text of such announcement to the other Party for its review and approval prior to announcement, such approval shall not be unreasonably delayed or withheld. Such other Party shall provide its comments, if any, within [*] after receipt of the proposed text and the Party making such announcement shall consider and address all such comments in good faith. Notwithstanding anything to the contrary, such approval shall not be needed if such public announcement: (i) is required pursuant to the disclosure requirements of the U.S. Securities and Exchange Commission or the national securities exchange or other stock market on which such Party's securities are traded, provided however that in this case the proposed text of the announcement shall be disclosed in advance to the other Party for information and comments; or (ii) solely discloses information that has previously been approved for disclosure by the other Party.

6. INTELLECTUAL PROPERTY

6.1 Ownership of Inventions. Each Party shall own any inventions made solely by its employees, agents or independent contractors in their activities hereunder. Inventions hereunder made jointly by employees, agents or independent contractors of each Party in the course of performing under this Agreement shall be owned jointly by the Parties in accordance with the joint ownership interests of co-inventors under U.S. patent laws. Inventorship shall be determined in accordance with U.S. patent laws. Licensor grants Licensee a first right of refusal to an exclusive license in the Field to any inventions made in the course of the Agreement.

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6.2 Patent Prosecution, Maintenance and Enforcement.

6.2.1 Patent Prosecution and Maintenance. Licensor will prosecute and maintain the Licensor Patent Rights, including conducting any interferences, reexaminations, reissues, oppositions, or request for patent term extension relating thereto. Licensor shall provide Licensee with a revised Exhibit 1.7 updating the status of the Licensor Patent Rights on an annual basis or more frequently if requested by Licensee (but in no event more than quarterly).

6.2.2 Enforcement of Patent Rights by Licensor. If either Party becomes aware of a suspected infringement of Licensor Patent Rights in the Field, such Party shall notify the other Party promptly, and following such notification, the Parties shall confer. Licensor shall have the first right, but shall not be obligated, to take any actions or bring any proceedings regarding the infringement at its own expense, in its own name, and entirely under its own direction and control. Licensee will reasonably assist Licensor (at Licensor' expense) in such actions or proceedings if so requested, and will lend its name to such actions or proceedings if required by law. Licensee shall have the right to participate and be represented in any such proceeding by its own counsel at its own expense, in which case it shall be entitled to receive reimbursement for such expenses from any recovery from such proceeding and shall be entitled to share the net recovery (after both Parties' reimbursement of proceeding-associated expenses) with Licensor [*]. No settlement of any such action or proceeding that restricts the scope or affects the enforceability of Licensor Patent Rights may be entered into by Licensor without the prior consent of Licensee, which consent shall not be unreasonably withheld.

6.2.3 Enforcement of Patent Rights by Licensee. If Licensor fails to take any action or bring any proceeding regarding infringement pursuant to Section 6.2.2 within [*] of the provision or receipt of notice of suspected infringement, then Licensee may take such action or bring such proceeding at its own expense, in its own name, and entirely under its own direction and control. Licensor will reasonably assist Licensee (at Licensee's expense) in any action or proceeding being prosecuted or defended by Licensee, if so requested by Licensee or required by law in order for Licensee to bring such action, including but not limited to executing any necessary documents such as any necessary power of attorney and including, if required, being joined as a necessary party. Licensor shall have the right to participate and be represented in any such proceeding by its own counsel at its own expense, in which case it shall be entitled to receive reimbursement for such expenses from any recovery from such proceeding and shall be entitled to share the net recovery (after both Parties' reimbursement of proceeding-associated expenses) with Licensee [*]. No settlement of any such action or proceeding that restricts the scope or affects the enforceability of Licensor Patent Rights may be entered into by Licensee without the prior consent of Licensor, which consent shall not be unreasonably withheld.

6.3 Third Party Infringement Claims. If an allegation is made or claim is brought by a Third Party that any activity related to a Product infringes the intellectual property rights of such Third Party, each Party will give prompt written notice to the other Party of such claim. The Parties shall fully cooperate to defend against such allegation or claim, each bearing its own expenses. Neither Party shall enter into any settlement of any claim described in this Section 6.3 that affects the other Party's rights or interests without such other Party's written consent, which

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consent shall not be unreasonably withheld or delayed. If a Party is entitled to indemnification pursuant to Article 8 with respect to a claim described in this Section 6.3, it shall follow the procedures set forth in Article 8 if it wishes to obtain such indemnification. The royalties to be paid to Licensor in the country or countries involved shall continue to be paid to Licensor unless sale of the Products in said country or countries is prevented as a result of the Third Party claim. If necessary in order to avoid infringement of said Third Party intellectual property rights, Licensee and Licensor shall attempt to obtain a license for Licensee under the Third Party's intellectual property rights. Royalties to be paid by Licensee to Licensor hereunder shall continue to be payable in accordance with the terms and conditions of this Agreement and any royalties on sales of the Products payable to the Third Party under said license shall be paid by Licensee. Licensee may offset [*] of all payments paid to all Third Parties under this Section 6.3 against the royalties that Licensee pays to Licensor under Section 4.3.1, but in no event shall such offset reduce the royalties owed to Licensor under Section 4.3.1 by more than [*] of the amount otherwise owed without such offset.

6.4 Patent Terms Extensions. The Parties shall co-operate in filing for and obtaining patent extensions and supplementary or complementary protection certificates, if available, of the Licensor Patent Rights, and Licensor shall have the final decision making authority on such matters.

7. REPRESENTATIONS AND WARRANTIES

7.1 Mutual Warranties. Each Party represents and warrants to the other Party that: (i) it has the authority and right to enter into and perform this Agreement; (ii) this Agreement is a legal and valid obligation binding upon it and is enforceable in accordance with its terms, subject to applicable limitations on such enforcement based on bankruptcy laws and other debtors' rights; and (iii) its execution, delivery and performance of this Agreement will not conflict in any material fashion with the terms of any other agreement or instrument to which it is or becomes a party or by which it is or becomes bound, nor violate any law or regulation of any court, governmental body or administrative or other agency having authority over it.

7.2 Licensor Warranties. Licensor represents and warrants to Licensee that:

7.2.1 As of the Effective Date, Licensor has the full right and power to grant the license set forth in Section 2.1 in the manner, for the duration of and to the extent set forth in this Agreement, free and clear of any adverse assignment, grant or other encumbrances inconsistent with such grant;

7.2.2 As of the Effective Date, Licensor has not received any written notice or other written communication alleging that the making or using of the Compound infringes or misappropriates the intellectual property rights of a Third Party.

7.3 No Additional Representations. EXCEPT AS EXPRESSLY SET FORTH IN THE REPRESENTATIONS AND WARRANTIES SET FORTH IN SECTIONS 7.1 AND 7.2 OF THIS AGREEMENT, THERE ARE NO REPRESENTATIONS OR WARRANTIES BY LICENSOR OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO THE COMPOUND, PRODUCTS OR THE MANUFACTURE

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OR USE OF COMPOUND OR PRODUCTS (INCLUDING WITHOUT LIMITATION ITS RESEARCH, DEVELOPMENT (INCLUDING CLINICAL TRIALS) OR COMMERCIALIZATION) INCLUDING WITHOUT LIMITATION ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE OR USE OF COMPOUND OR ANY PRODUCT OR ANY REPRESENTATIONS OR WARRANTIES WITH RESPECT TO INFRINGEMENT OF THIRD PARTY INTELLECTUAL PROPERTY RIGHTS.

8. INDEMNIFICATION

8.1 Licensor. Licensor shall indemnify, defend and hold harmless Licensee, its Affiliates, and their respective directors, officers and employees (each a "**Licensee Indemnitee**") from and against any and all liabilities, damages, losses, costs or expenses (including attorneys' and professional fees and other expenses of litigation and/or arbitration) ("**Liabilities**") resulting from any claim, suit or proceeding made or brought by a Third Party against a Licensee Indemnitee to the extent arising from or occurring as a result of: (i) any breach by Licensor of the representations and warranties set forth in Section 7.1 or 7.2; and/or (ii) any negligent or wrongful act or omission hereunder by Licensor and/or any breach by Licensor of any of its obligations hereunder, except in each case to the extent that (1) any such Liability was due to the negligence or willful misconduct of a Licensee Indemnitee or (2) Licensee has an obligation under Section 8.2 to indemnify Licensor for such Liabilities.

8.2 Licensee. Licensee shall indemnify, defend and hold harmless Licensor, its Affiliates, and their respective directors, officers and employees (each an "**Licensor Indemnitee**") from and against any and all Liabilities resulting from any claim, suit or proceeding made or brought by a Third Party against an Licensor Indemnitee to the extent arising from or occurring as a result of: (i) any breach by Licensee of the representations and warranties set forth in Section 7.1; (ii) any use, manufacture, development, distribution, storage, handling, promotion, marketing and sale of the Product(s) by or for Licensee or its Affiliates or sublicensees In the Field; (iii) the use of any Products by any person or entity; and/or (iv) any negligent or wrongful act or omission hereunder by Licensee and/or any breach by Licensee of any of its obligations hereunder, except in each case to the extent that (I) any such Liability was due to the negligence or willful misconduct of an Licensor Indemnitee or (2) Licensor has an obligation under Section 8.1 to indemnify Licensee for such Liabilities.

8.3 Procedure. A Party seeking indemnification hereunder (an "**Indemnitee**") shall promptly notify the other Party (the "**Indemnitor**") in writing of such alleged Liability. The Indemnitor shall have the sole right to control the defense and settlement thereof. The Indemnitee shall cooperate with the Indemnitor and its legal representatives in the investigation of any action, claim or liability covered by this Article 8. The Indemnitee shall not, except at its own cost and risk, voluntarily make any payment or incur any expense with respect to any claim or suit without the prior written consent of the Indemnitor, which the Indemnitor shall not be required to give. The Indemnitor shall not be required to provide indemnification with respect to a Liability the defense of which is actually prejudiced by the failure to give notice by the Indemnitee or the failure of the Indemnitee to cooperate with the Indemnitor or where the Indemnitee settles or compromises a Liability without the written consent of the Indemnitor. Each Party shall cooperate with the other Party in resolving any claim or Liability with respect to

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which one Party is obligated to indemnify the other under this Agreement, including without limitation, by making commercially reasonable efforts to mitigate or resolve any such claim or Liability.

8.4 Limitations on Liability.

8.4.1 NOTWITHSTANDING ANY PROVISION HEREIN, A PARTY SHALL IN NO EVENT BE LIABLE TO THE OTHER PARTY OR ITS AFFILIATES, OFFICERS, DIRECTORS, EMPLOYEES, STOCKHOLDERS, AGENTS OR REPRESENTATIVES FOR ANY INDIRECT, CONSEQUENTIAL OR PUNITIVE DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF USE, DAMAGE TO GOODWILL OR LOSS OF BUSINESS), UNLESS SUCH DAMAGES: (I) ARE OWED UNDER THE LIABLE PARTY'S INDEMNIFICATION OBLIGATIONS UNDER ARTICLE 8; (II) ARE DUE TO THE LIABLE PARTY'S BREACH OF ARTICLE 5; OR (III) ARE DUE TO THE GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE LIABLE PARTY.

9. TERM AND TERMINATION

9.1 Term. Subject to the provisions below in this Section 9, the term of this Agreement shall commence on the Effective Date and continue on a country-by-country basis until the expiration of all Licensee's royalties payment obligations under this Agreement, unless earlier terminated pursuant to Section 9.2 or 9.3. On such expiration, Licensee's license under Section 2.1 with respect to Licensor Know-How shall survive as a non-exclusive, fully-paid and royalty-free license.

9.2 Material Breach. If any Party has breached any of its material obligations hereunder, and such breach has continued for [*] after written notice thereof was provided to the breaching Party by the non-breaching Party, the non-breaching Party may terminate this Agreement. Any termination shall become effective at the end of such [*] period unless the breaching Party has cured any such breach prior to the expiration of the [*] period.

9.3 Relinquishment by Licensee. Licensee may relinquish all the rights and the license granted to it under this Agreement and thereby terminate this Agreement, at any time, by giving Licensor written notice of its desire to do so at least six (6) months prior to the date on which the rights and the license are desired to be terminated. Such termination shall be conditional upon Licensee informing Licensor in writing, together with the notice of termination, that, in Licensee's reasonable business judgment based on scientific or economic evidence, it is impossible for Licensee to carry out further development or marketing of the Product in the Territory.

9.4 Effect of Termination or Expiration. Termination or expiration of this Agreement for any reason shall not release either Party hereto from any liability which, at the time of such termination or expiration, has already accrued to the other Party or which is attributable to a period prior to such termination or expiration or preclude either Party from pursuing any rights and remedies it may have hereunder or at law or in equity with respect to any breach of, or default under, this Agreement. It is understood and agreed that monetary damages

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may not be a sufficient remedy for any breach of this Agreement and that the non-breaching Party may be entitled to specific performance as a partial remedy for any such breach.

9.4.1 Effects of Certain Terminations Attributable to Licensee.

(a) If this Agreement is terminated by Licensor pursuant to Section 9.2 for Licensee's failure to pay any of the amounts owed to Licensor tinder Article 4, then Licensor may pursue all remedies available to it under law or equity, and Licensee shall transfer and assign to Licensor all Information in its possession relating to the Product, and all regulatory filings (including any regulatory approvals) in Licensee's name, agreements with Third Parties, trademark and other intellectual property rights, and supplies of Product (including any intermediates, retained samples and reference standards) that in each case are in its Control and that relate to the Product. Any such transfer and assignment by Licensee to Licensor shall be free of charge to Licensor (except for administrative costs and fees connected with the transfer of trademarks and other intellectual property rights, which shall be borne by Licensor).

(b) If this Agreement is terminated by Licensee pursuant to Section 9.3, then: (i) Licensee shall transfer and assign to Licensor all Information in its possession relating to the Product, and all of the regulatory filings (including any regulatory approvals) in Licensee's name, agreements with Third Parties, trademark and other intellectual property rights, and supplies of Product (including any intermediates, retained samples and reference standards) that in each case are in its Control and that relate to the Product; (ii) Licensor shall notify Licensee in writing if, in Licensor' reasonable business judgment, Licensor desires to continue the development and/or commercialization of the Product, in which case Licensee's sublicensees' rights on the Product shall survive termination hereof and shall be varied into a direct grant from Licensor (but only if such sublicensee is not in breach of its existing agreement with Licensee), being however understood that the relations between each said sub-licensee and Licensor shall, in Licensor' sole discretion, be regulated either by the agreement in force between Licensee and the sublicensee, which in such case would be assigned to Licensor, or by any other contract which Licensor and the sublicensee may deem appropriate. Any transfer and assignment by Licensee to Licensor under Section 9.4.1(b)(i) shall be free of charge to Licensor (except for administrative costs and fees connected with the transfer of trademarks and other intellectual property rights, which shall be borne by Licensor). Notwithstanding anything to the contrary, Licensor shall have no obligation (either under Section 9.4.1(b)(ii) or otherwise under this Agreement) to be transferred or assigned any agreements from, or enter into any relations with, any of Licensee's sublicensees who are in breach of their agreements with Licensee at the time of Licensee's termination of this Agreement.

9.4.2 Effects of other termination. In the event of any termination that is not described in Section 9.4.1, the applicable Party may pursue all remedies available to such Party under law or equity pursuant to Sections 10.3 or 10.4, as applicable.

9.5 Survival. The following provisions of this Agreement shall survive expiration or termination of this Agreement for any reason: [*To be completed.*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

9.6 Rights in Bankruptcy. All rights and the license granted under or pursuant to this Agreement by Licensor are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101 of the United States Bankruptcy Code. The Parties agree that Licensee, as licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the United States Bankruptcy Code. The Parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against Licensor under the United States Bankruptcy Code, Licensee shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, which, if not already in Licensee's possession, shall be promptly delivered to it: (a) upon any such commencement of a bankruptcy proceeding upon Licensee's written request therefor, unless Licensor continues to perform all of its obligations under this Agreement; or (b) if not delivered under Section 9.6(a) above, following the rejection of this Agreement by or on behalf of Licensor upon written request therefor by Licensee.

10. MISCELLANEOUS

10.1 Complete Agreement; Modification. This Agreement constitutes the entire agreement, both written and oral, between the Parties with respect to the subject matter hereof, and all prior agreements respecting the subject matter hereof, either written or oral, expressed or implied, are superseded hereby, merged and canceled, and are null and void and of no effect. No amendment or change hereof or addition hereto shall be effective or binding on either of the Parties hereto unless reduced to writing and duly executed on behalf of both Parties.

10.2 Governing Law. Resolution of all disputes arising out of or related to this Agreement or the performance, enforcement, breach or termination of this Agreement and any remedies relating thereto, shall be governed by and construed under the substantive laws of the State of North Carolina, without regard to conflicts of law rules requiring the application of different law.

10.3 Dispute Resolution. Subject to Section 10.4, in the event of any dispute, controversy or claim between the Parties relating to or arising out of this Agreement (a "**Dispute**"), either Party may refer such Dispute to the Chief Executive Officers of, or such other senior executive officers designated by, each respective Party for resolution. If such senior executive officers fail to reach a resolution within [*] of such referral, or such other period as the Parties may agree, then such Dispute shall be decided by arbitration to be conducted in New York City in accordance with the International Rules of the American Arbitration Association for Commercial Arbitration in effect at the time the Dispute arises, unless the Parties mutually agree otherwise. Each Party shall be responsible for its own costs (including, without limitation, reasonable attorneys' fees) and expenses in connection with any arbitration proceeding under this Section 10.3.

10.4 Patents. Any dispute, controversy or claim relating to the scope, validity, enforceability or infringement of any Licensor Patent Rights covering the manufacture, use or sale of any Products shall be submitted to a court of competent jurisdiction in the territory in which such Patent or trademark rights were granted or arose.

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10.5 Performance by Affiliates/Subcontractors. Each Party acknowledges that its obligations under this Agreement may be performed by its respective Affiliates or subcontractors. Notwithstanding any delegation of obligations under this Agreement by a Party to an Affiliate or subcontractor, each Party shall remain primarily liable and responsible for the performance of all of its obligations under this Agreement and for causing its Affiliates and/or subcontractors to act in a manner consistent herewith. Wherever in this Agreement the Parties delegate responsibility to Affiliates, subcontractors or local operating entities, the Parties agree that such entities shall not make decisions inconsistent with this Agreement, amend the terms of this Agreement or act contrary to its terms in any way.

10.6 Consents Not Unreasonably Withheld or Delayed. Whenever provision is made in this Agreement for either Party to secure the consent or approval of the other, that consent or approval shall not unreasonably be withheld or delayed, and whenever in this Agreement provisions are made for one Party to object to or disapprove a matter, such objection or disapproval shall not unreasonably be exercised.

10.7 Maintenance of Records. Each Party shall keep and maintain all records required by law or regulation with respect to Products and shall make copies of such records available to the other Party upon request.

10.8 Independent Contractors. The relationship of the Parties hereto is that of independent contractors. The Parties hereto are not deemed to be agents, partners or joint venturers of the others for any purpose as a result of this Agreement or the transactions contemplated thereby. At no time shall any Party make commitments or incur any charges or expenses for or in the name of the other Party.

10.9 Assignment. Neither Party may assign or transfer this Agreement or any rights or obligations hereunder without the prior written consent of the other, except a Party may make such an assignment without the other Party's consent to an Affiliate or to a successor to substantially all of the business of such Party to which this Agreement relates, whether in a merger, sale of stock, sale of assets or other transaction; provided, that any such permitted successor or assignee of rights and/or obligations hereunder shall, in a writing to the other Party, expressly assume performance of such rights and/or obligations. Any permitted assignment shall be binding on the successors of the assigning Party. Any assignment or attempted assignment by either Party in violation of the terms of this Section 10.9 shall be null and void and of no legal effect. In the event that Licensee is acquired by a company (a "**Competitor Company**") selling a competitive cyclosporine product in the Field (a "**Competitive Product**") then within [*] of the acquisition of Licensee by the Competitor Company, the Parties shall meet to [*]. If within a further [*] of such meeting, the Licensee is unable to [*], then Licensee shall either: (a) immediately relinquish all the rights and the license granted to it under this Agreement; or (b) commit to divest the Competitive Product within a further [*] period.

10.10 Notices. Any notices given under this Agreement shall be in writing, addressed to the Parties at the following addresses, and delivered by person, by facsimile, or by FedEx or other reputable international courier service. Any such notice shall he deemed to have been

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given as of the day of personal delivery, one (1) day after the date sent by facsimile service or on the day of successful delivery to the other Party confirmed by the courier service.

For Licensor: SCYNEXIS, Inc.
3501 C Tricenter Boulevard
Durham, NC 27713
USA
Phone: 1 919 544 8600
Fax: 1 919 544 8697

For Licensee: Dechra Ltd
Dechra House
Jamage Industrial Estate
Talke Pits, Stoke-on-Trent
ST7 1XW, United Kingdom
Phone: 0044 (0)1782 771100
Fax: 0044 (0)1782 773366

10.11 Force Majeure. Each Patty shall be excused from the performance of its obligations (other than payment obligations) under this Agreement to the extent that such performance is prevented by force majeure and the nonperforming Party promptly provides notice of the prevention to the other Party. Such excuse shall be continued so long as the condition constituting force majeure continues and the nonperforming Party takes reasonable efforts to remove the condition. For purposes of this Agreement, force majeure shall include conditions beyond the control of the Parties, including without limitation, an act of God, voluntary or involuntary compliance with any regulation, law or order of any government, war, act of terrorism, civil commotion, labor strike or lock-out, epidemic, failure or default of public utilities or common carriers, destruction of production facilities or materials by fire, earthquake, storm or like catastrophe; provided, however, the payment of invoices due and owing hereunder shall not be delayed by the payer because of a force majeure affecting the payer.

10.12 Further Assurances. Each Party agrees to execute, acknowledge and deliver such further instruments, and to do all such other acts, as may be necessary or appropriate in order to carry out the purposes and intent of this Agreement.

10.13 Severability. In the event that any provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect without said provision to any possible extent. In such event, the Parties shall in good faith negotiate a substitute clause for any provision declared invalid or unenforceable, which shall most nearly approximate the intent of the Parties in entering this Agreement.

10.14 Waiver. The failure of a Party to insist upon strict performance of any provision of this Agreement or to exercise any right arising out of this Agreement shall neither impair that provision or right nor constitute a waiver of that provision or right, in whole or in part, in that instance or in any other instance. Any waiver by a Party of a particular provision or right shall

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be in writing, shall be as to a particular matter and, if applicable, for a particular period of time and shall be signed by such Party.

10.15 Use of Name. Except as required by law, neither Party shall use the name or trademarks of the other Party for any advertising or promotional purposes without the prior written consent of such other Party.

10.16 Construction of the Agreement. Except where the context otherwise requires, wherever used, the singular will include the plural, the plural the singular, the use of any gender will be applicable to all genders, and the word "or" are used in the inclusive sense. When used in this Agreement, "including" means "including, without limitation,." References to either Party include the successors and permitted assigns of that Party. The headings of this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. The Parties have each consulted counsel of their choice regarding this Agreement, and, accordingly, no provisions of this Agreement will be construed against either Party on the basis that the Party drafted this Agreement or any provision thereof. If the terms of this Agreement conflict with the terms of any Exhibit, then the terms of this Agreement shall govern. The official text of this Agreement and any Exhibits hereto, any notice given or accounts or statements required by this Agreement, and any dispute proceeding related to or arising hereunder, shall be in English. In the event of any dispute concerning the construction or meaning of this Agreement, reference shall be made only to this Agreement as written in English and not to any other translation into any other language.

10.17 Insurance. Each Party agrees to procure and maintain, in full force and effect during the term of this Agreement, insurance from insurers of recognized financial responsibility, against such losses and risks and in such amounts which, in such Party's reasonable judgment, are prudent and customary in the business in which it is engaged. Each Party shall promptly supply the other Party, upon the other Party written request, with a copy of the certificate of insurance evidencing said coverage.

10.18 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be an original and all of which shall constitute together the same document. Counterparts may be signed and delivered by facsimile, each of which shall be binding when sent.

[*Signature Page Follows*]

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IN WITNESS WHEREOF, Licensor and Licensee have executed this Agreement by their respective duly authorized representatives as of the Effective Date.

SCYNEXIS, INC.		**Dechra Ltd**	
By:	*/s/ Yves Ribeill*	By:	*/s/ Ian Page*
Name:	Yves Ribeill	Name:	Ian Page
Title:	Chief Executive Officer	Title:	Chief Executive Officer

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EXHIBIT 1.7

Licensor Patents

Ref	Country	Application No.	Publication No.	Grant No.
[*]	[*]	[*]	[*]	[*]

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EXHIBIT 1.7

Licensor Know-How

[*]

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Exhibit 5.4
Press Release

SCYNEXIS® Announces Exclusive Licensing Deal for the Treatment of Canine Dry Eye

SCYNEXIS®Announces Exclusive Licensing Deal for the Treatment of Canine Dry Eye
–First Partnership for SCYNEXIS Cyclophilin Platform–

RESEARCH TRIANGLE PARK, NC [September 4, 2012] -SCYNEXIS, Inc. announced today that it has entered into an exclusive license agreement with Dechra Pharmaceuticals PLC (LSE:DPH) for the development and commercialization of SCY 641 for the treatment of canine keratoconjunctivitis sicca (KCS). SCY-641, a cyclosporine derivative, is the first partnered compound from the SCYNEXIS proprietary cyclophilin inhibitor platform, which includes SCY 635, a clinical candidate for the treatment of Hepatitis C (HCV).

Under the terms of the agreement, SCYNEXIS received an upfront fee and is eligible to receive further payments based on development milestones, as well as double digit royalties on product sales. Dechra is granted worldwide animal health rights and will be responsible for the remaining clinical development and commercialization of SCY-641. SCYNEXIS retains the human health rights to the compound.

“Dechra is the ideal partner for SCY-641. They have a strong presence in animal health and a history of successful new product introductions,” said Michael Peel, PhD, Executive Director for SCYNEXIS Discovery Research. “We believe that this novel compound has the potential to offer a major advance in the treatment of dry eye in both animal and human health.”

Yves Ribeill, CEO, SCYNEXIS, added, “This is the first partnership SCYNEXIS has announced from our cyclophilin inhibitor platform. We look forward to progressing SCY-641 and our other assets towards market in the coming year.”

In pre-clinical studies, SCY-641 was shown to have immunosuppressive activity that can alleviate ocular inflammation and promote tear production. In a clinical study of canine dry eye disease, an aqueous solution of SCY-641 was well tolerated and significantly improved tear production. Results from a proof-of-concept study were presented at the annual Association for Research in Vision and Ophthalmology meeting in April 2012.[1]

Commenting on the partnership, Ian Page, Chief Executive, Dechra said, “We are delighted to have reached an agreement with SCYNEXIS and look forward to a successful partnership and bringing SCY-641 to market. The worldwide agreement substantially strengthens our novel product development pipeline. The ophthalmic market is a key therapeutic sector for Dechra; the application of SCY-641 in the animal health market offers significantly improved clinical treatment of dry eye in animals and an excellent commercial opportunity.”

About (Chronic) Dry Eye

Chronic dry eye, the inadequate production of tears, affects both humans and canines alike. Dry eye can be a progressive disease that if left untreated can lead to pain, ulcers or scars on the cornea and some

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loss of vision.[2] Tear production plays an important role in overall eye health by providing lubrication, reducing the risk of eye infection, washing away foreign matter in the eye, and keeping the surface of the eyes smooth and clear.[3] Treating inflammation, the underlying cause of dry eye, can increase tear production and relieve the associated symptoms of dryness, pain and scratchiness.[4,5]

About Dechra

Dechra Pharmaceuticals PLC is a UK listed international veterinary pharmaceutical business with its expertise being in the development, manufacturing, distribution, sales and marketing of high quality products exclusively for veterinarians worldwide.

About SCYNEXIS

SCYNEXIS delivers innovative solutions to solve the toughest problems in drug discovery and development for our pharmaceutical, global health and life science partners. We have successfully delivered preclinical and clinical drug candidates to our customers across all major therapeutic indications and have developed our own proprietary cyclophilin inhibitor programs for the treatment of a broad range of diseases, including HCV and inflammation. www.scynexis.com.

SCYNEXIS CONTACT:

Alissa Maupin
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SCYNEXIS, Inc.
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MEDIA CONTACT:

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DECHRA CONTACT:

Dechra Pharmaceuticals PLC
Ian Page, Chief Executive
Simon Evans, Group Finance Director
Mobile: +44 (0) 7775 642222 (IP) or +44 (0) 7775 642220 (SE)
Office: +44 (0) 1782 771100
www.dechra.com
corporate.enquiries@dechra.com

1 Gilger, Brian, et al. *An Aqueous Calcineurin Inhibitor, SCY-641, Is As Effective As Cyclosporine In The Treatment Of Naturally Occurring Keratoconjunctivitis Sicca In Dogs. 2012.* ARVO meeting abstracts. Abstract A48.

[2] Facts About Dry Eye. (2009). Retrieved August 21, 2012 *http://www.nei.nih.gov/health/dryeye/dryeye.asp*

[3] 3 Dry Eye. (2006-12). Retrieved August 21, 2012, *http://www.aoa.org/x4717.xml*

[4] Facts About Dry Eye. (2009). Retrieved August 21, 2012 *http://www.nei.nih.gov/health/dryeye/dryeye.asp*

[5] Dry Eye. (2006-12). Retrieved August 21, 2012, *http://www.aoa.org/x4717.xml*

EXHIBIT 1.8

[*]

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FIRST AMENDMENT TO LICENSE AGREEMENT

This FIRST AMENDMENT TO LICENSE AGREEMENT ("First Amendment") is made and entered into as of the 15th day of November, 2013 (the "Effective Date") by and between SCYNEXIS, Inc., a Delaware corporation having its principal place of business at 3501C Tricenter Boulevard, Durham, NC 27713 USA ("Licensor"), and Dechra Ltd of Dechra House, Jamage Industrial Estate, Talke Pits, Stoke-on-Trent, ST7, 1XW, United Kingdom ("Licensee"). Licensor and Licensee are sometimes referred to herein individually as a "Party" and collectively as the "Parties.'

BACKGROUND

A. Pursuant to a License Agreement dated August 7, 2013 (the "License Agreement") Licensor granted a license to develop and commercialize SCY-641 in the ophthalmic animal health field.

B. Licensor and Licensee have, or will, execute a Proposal for Work, whereby Licensor will perform certain [*] services for a estimated cost to Licensee of $[*] (the "[*] Services Fee").

C. Licensor and Licensee are intending to execute a Proposal for Work whereby Licensor will perform such [*] services [*] to [*], and in connection therewith will [*]. Upon payment by Licensee to Licensor of a fee [*] (the "[*] Fee") Licensor shall provide to Licensee [*] up to [*] (but excluding [*]).

D. The Parties desire to amend the License Agreement, subject to the terms and conditions of this First Amendment, [*] the royalties [*] the [*] and the [*].

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. Section 4.3 is hereby deleted in its entirety and the following is substituted in lieu thereof:

4.3 Royalties. Licensee shall pay Licensor royalties equal to the percentages of Net Sales of all Products as described below:

Tier No.	Net Sales Tiers	Royalty Rate
1	On total Net Sales of all Products in each calendar year up to US$[*]	[*]%
2	On the portion of all Net Sales of all Products in each calendar year exceeding US$[*] and up to US$[*]	[*]%
3	On the portion of all Net Sales of all Products in each calendar	[*]%

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Tier No.	Net Sales Tiers	Royalty Rate
	year in excess of $US[*]	

Provided however, notwithstanding the foregoing, the royalty rate payable pursuant to [*] shall [*] until the [*] in such royalty rate shall [*], whereupon the [*] royalty rate shall [*].

2. Capitalized terms used herein but not defined shall have the meanings given to them in the License Agreement.

3. Except as amended and/or modified by this First Amendment, the License Agreement is hereby ratified and confirmed and all other terms of the License Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Licensor and Licensee have executed this First Amendment as of the Effective Date set forth above.

SCYNEXIS, Inc.	DECHRA LTD.
By: /s/ Yves Ribiell	By: /s/ Ann-Francoise Westler
Name: Yves Ribiell	Name: Anne-Francoise Westler
Title:	Title: Director

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Exhibit 10.12

Execution Copy

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

TERMINATION AND LICENSE AGREEMENT

This Termination and License Agreement (the "**Agreement**") is made and entered into as of May 24, 2013 (the "**Effective Date**") by and between Merck Sharp & Dohme Corp., a New Jersey corporation with a principal place of business at One Merck Drive, Whitehouse Station, NJ 08889 ("**Merck**") and Scynexis, Inc., a Delaware corporation with a principal place of business at 3501 C Tricenter Boulevard, Durham, NC 27713 ("**Scynexis**") (each individually a "**Party**" and, collectively, the "**Parties**").

RECITALS

WHEREAS, Scynexis and Merck have expressed the mutual intent to terminate the 2002 Agreement (as defined herein);

WHEREAS, Scynexis desires to continue the development and commercialization of a certain Program Compound (as defined herein); and

WHEREAS, Merck desires to grant Scynexis an exclusive, worldwide, royalty-bearing license under Program Compound Patent Rights (as defined herein) in the Field (as defined herein) and certain other rights with respect to such Program Compound as described herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements contained in this Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Scynexis and Merck agree as follows:

ARTICLE 1
DEFINITIONS

All capitalized terms in this Agreement shall have the following meanings:

1.1. "**2002 Agreement**" shall mean the Research Collaboration and License Agreement, dated June 1, 2002, by and between Scynexis and Merck, and as subsequently amended by the Parties on April 14, 2003, June 2, 2003, January 1, 2006 and January 1, 2008.

1.2. "**Affiliate**" shall mean (i) any corporation or business entity of which fifty percent (50%) or more of the securities or other ownership interests representing the

equity, the voting stock or general partnership interest are owned, controlled or held, directly or directly, by Merck or Scynexis; or (ii) any corporation or business entity which, directly or indirectly, owns, controls or holds fifty percent (50%) (or the maximum ownership interest permitted by law) or more of the securities or other ownership interests representing the equity, the voting stock or, if applicable, the general partnership interest, of Merck or Scynexis.

1.3. "**Agreement**" shall have the meaning set forth in the preamble.

1.4. "**Calendar Quarter**" shall mean the respective periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 and December 31.

1.5. "**Calendar Year**" means a period of twelve (12) consecutive calendar months ending on December 31.

1.6. "**Claims**" shall have the meaning given such term in Section 7.1.

1.7. "**Clinical Trial**" shall mean either a Phase I Clinical Trial, a Phase II Clinical Trial or a Phase III Clinical Trial, as the case may be.

1.8. "**Combination Product**" means either: (a) any pharmaceutical product containing Program Compound and at least one other active ingredient that is not a Program Compound; or (b) any combination of a Program Compound and another pharmaceutical product that contains at least one other active ingredient that is not a Program Compound where such products are not formulated together but are sold together as a single product and invoiced as one product. All references to Product in this Agreement shall be deemed to include Combination Product.

1.9. [*].

1.9A. "**Control**," "**Controls**" or "**Controlled by**" shall mean, with respect to any intellectual property right, that the applicable Party owns or has a license to such item or right and has the ability to grant to the other Party access to, and/or a license or sublicense under, such item or right as provided for in this Agreement without violating the terms of any agreement with any Third Party existing at the time such Party would be required hereunder to grant the other Party such access or license or sublicense (as applicable).

1.10. "**Effective Date**" shall have the meaning set forth in the preamble.

1.11. "**Field**" shall mean the treatment and prevention of diseases, infections or other disorders in humans.

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1.12. "**Filing**" of an NDA means the acceptance by a regulatory authority of an NDA for filing, if applicable, or the date of filing if the applicable regulatory jurisdiction does not have an "acceptance" process or requirement.

1.13. "**First Commercial Sale**" shall mean, with respect to Product, the first sale for end use or consumption of such Product in a country after all required approvals, including marketing and pricing approvals, have been granted by the governing health authority of such country.

1.14. "**IND**" means the investigational new drug application numbered 107,521 for Program Compound as submitted to FDA prior to the Effective Date.

1.15. "**Initiation**" shall mean, with respect to a milestone event as set forth in Section 5.1, the administration of the first dose to a patient or subject in a Clinical Trial.

1.16. "**Major Market**" shall mean any one of the following countries: United States, Japan, the United Kingdom, France, Germany, Italy or Spain.

1.17. "**Major European Market**" shall mean any one of the following countries: the United Kingdom, France, Germany, Italy or Spain.

1.18. "**Marketing Approval**" shall mean any and all approvals (including price and reimbursement approvals), licenses, registrations, or authorizations of the United States, European Union or any country, federal, state or local regulatory agency, department, bureau or other government entity that is necessary for the manufacture, use, storage, import, transport and/or sale of a Product for human use in such jurisdiction and following which the Product may be legally sold in such jurisdiction.

1.19. "**Materials**" shall consist of the Prototype Materials and other materials set forth in Schedule 1.19 attached hereto.

1.20. "**Merck**" shall have the meaning set forth in the preamble.

1.21. "**Merck FDA Letter**" means the letter from Merck to FDA, duly executed by Merck, to be filed with FDA no later than one (1) business day following the Effective Date with regard to the transfer of the IND from Merck to Scynexis, the form of which is attached hereto as Schedule 1.21.

1.22. [RESERVED]

1.23. "**Merck Indemnitees**" shall have the meaning set forth in Section 7.3.

1.24. "**Merck Know-How**" shall mean any Merck information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, patentable or otherwise, which are not generally

known and are set forth in the IND, Program Documentation and Materials, including [*].

1.25. "**Merck Patent Rights**" shall consist of Program Compound Patent Rights, Merck Process Patent Rights and Other Compound Patent Rights.

1.26. "**Merck Process Patent Rights**" shall mean those Patent Rights that as of the Effective Date and during the term of the Agreement (a) are Controlled by Merck and/or its Affiliates and (b) claim or cover any cell line, starting material or intermediate used for making the Program Compound or the process for making Program Compound or an intermediate thereof, including without limitation, the Patent Rights set forth in Schedule 1.26 attached hereto.

1.27. "**Merck Released Claims**" shall have the meaning set forth in Section 7.1.

1.28. "**NDA**" shall mean a New Drug Application, Marketing Application Authorization or similar application or submission for marketing approval of a Product filed with a regulatory authority in a country.

1.29. "**Net Sales**" shall mean the gross invoice price of Product sold by Scynexis, its Affiliates or sublicensees (which term does not include distributors) to the first independent third party after deducting, if not previously deducted, in the amount invoiced or received:

a) trade and quantity discounts;

b) returns, rebates and allowances;

c) charge backs and other amounts paid on sale or dispensing of Products;

d) retroactive price reductions that are actually allowed or granted;

e) sales commissions paid to distributors and/or selling agents;

f) [*] bad debt, sales or excise taxes, early payment cash discounts, transportation and insurance charges and additional special transportation, custom duties, and other governmental charges; and

g) the standard inventory cost of devices or delivery systems used for dispensing or administering Product which accompany Product as it is sold.

With respect to sales of Combination Products, Net Sales shall be calculated [*]. In the event that Product is sold only as a Combination Product, Net Sales shall be

calculated on the basis of the invoice price of the Combination Product multiplied by a fraction, the numerator of which shall be the [*] of Program Compound in the Product and the denominator of which shall be the [*] of all of the active ingredients in the Combination Product. [*] shall be determined in accordance with Scynexis' regular accounting methods. In the event that Product is sold only as a Combination Product and either Party reasonably believes that the calculation set forth in this Paragraph does not fairly reflect the value of the Product relative to the other active ingredients in the Combination Product, the Parties shall negotiate, in good faith, other means of calculating Net Sales with respect to Combination Products.

1.30. [RESERVED]

1.31. "**Other Compound Patent Rights**" shall mean the Patent Rights set forth in Schedule 1.31 attached hereto.

1.32. "**Party**" or "**Parties**" shall have the meaning set forth in the preamble.

1.33. "**Patent Rights**" shall mean any and all patents or patent applications in the Territory (which for the purposes of this Agreement shall be deemed to include certificates of invention, applications for certificates of invention, divisions, continuations, continuations-in-part, reissues, renewals, extensions, supplementary protection certificates, utility, models and the like of any such patents and patent applications and foreign equivalents thereof).

1.34. "**Payment**" shall have the meaning set forth in Section 3.8(c).

1.35. "**Phase I Clinical Trial**" shall mean a human clinical trial relating to Product (in any country) that would satisfy the requirements of US 21 CFR 312.21(a) involving patients or normal volunteers, which are closely monitored, to obtain initial safety information, and if possible, early indication of effectiveness.

1.36. "**Phase II Clinical Trial**" shall mean a human clinical trial relating to Product (in any country) that would satisfy the requirements of US 21 CFR 312.21(b) involving patients with the disease or condition or interest, which are closely monitored, to evaluate effectiveness as well as common short-term side effects and risks.

1.37. "**Phase III Clinical Trial**" shall mean controlled or uncontrolled human clinical trial relating to Product (in any country) that would satisfy the requirements of US 21 CFR 312.21(c) involving patients with the disease or condition or interest, the results of which could be used to establish safety and efficacy of the Product as a basis for a Marketing Approval.

1.38. "**Program Compound**" shall mean MK-3118 (also known as SCY-078), a semi-synthetic derivative of the natural product enfumafungin and a potent inhibitor of the synthesis of the fungal cell wall polymer b-(1,3)-D-glucan. Chemical Name: [*]

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1.39. "**Program Compound Patent Rights**" shall mean the Patent Rights set forth in Schedule 1.39 attached hereto.

1.40. "**Product**" shall mean any pharmaceutical preparation in final form, including all dosage forms, formulations and line extensions thereof, for any and all uses in the Field, including without limitation any Combination Product, comprising Program Compound (i) for sale by prescription, over-the-counter or any other method; or (ii) for administration to human patients in a Clinical Trial.

1.41. "**Program Documentation**" shall mean the information, data and records relating to Program Compound as set forth in Schedule 1.41 attached hereto.

1.42. "**Proprietary Information**" shall mean all Merck Know-How, Scynexis Know-How, and all other scientific, clinical, regulatory, marketing, financial and commercial information or data, whether communicated in writing, electronically or orally, which is provided by one Party to the other Party in connection with this Agreement.

1.43. "**Prototype Materials**" shall consist of the Materials specifically identified as "Prototype Materials" in Schedule 1.19 attached hereto.

1.44. "**Scynexis**" shall have the meaning set forth in the preamble.

1.45. "**Scynexis FDA Letter**" means the letter from Scynexis to FDA, duly executed by Scynexis, to be filed with FDA no later than one (1) business day following the Effective Date with regard to the transfer of the IND from Merck to Scynexis, the form of which is attached hereto as Schedule 1.45.

1.46. "**Scynexis Know-How**" shall mean any Scynexis information and materials, including but not limited to, discoveries, improvements, processes, formulas, data, inventions, know-how and trade secrets, patentable or otherwise, which are not generally known and are set forth in any written progress reports provided by Scynexis to Merck.

1.47. "**Scynexis Released Claims**" shall have the meaning set forth in Section 7.2.

1.48. "**Taxes**" shall have the meaning set forth in Section 5.7.

1.49. "**Territory**" shall mean all of the countries in the world.

1.50. "**Third Party Claim**" shall have the meaning set forth in Section 7.4(b).

1.51. "**Valid Patent Claim**" means a claim of an issued and unexpired patent included within the Merck Patent Rights, which has not been revoked or held

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unenforceable or invalid by a decision of a court or other governmental agency of competent jurisdiction, unappealable or unappealed with the time allowed for appeal, and which has not been disclaimed, denied or admitted to be invalid or unenforceable through reissue or disclaimer or otherwise.

ARTICLE 2
TERMINATION OF 2002 AGREEMENT

2.1. Termination of the 2002 Agreement. Merck and Scynexis hereby agree to terminate the 2002 Agreement as of the Effective Date and agree that all rights and obligations of the Parties set forth in the 2002 Agreement shall be extinguished except as otherwise provided in this Agreement.

2.2. Transfer of IND.

(a) Merck hereby transfers all right, title and interest in and to the IND to Scynexis as of the Effective Date.

(b) Scynexis and Merck shall file the Scynexis FDA Letter and the Merck FDA Letter, respectively, with the FDA within one (1) business day after the Effective Date. Scynexis shall be responsible for the payment of any filing or similar fees payable to the FDA with respect to the transfer of the IND and the Program Compound to the Scynexis.

2.3. Transfer of Program Documentation.

(a) Merck shall provide to Scynexis the Program Documentation on or prior to the Effective Date.

(b) Scynexis acknowledges and agrees that it has received from Merck the Program Documentation as of the Effective Date.

2.4. Transfer of Materials

(a) Merck shall transfer to Scynexis, free of charge, the Materials within sixty (60) days of the Effective Date.

(b) Merck shall use commercially reasonable efforts to arrange and conduct the shipment of the Materials in a manner commensurate with the care and maintenance requirements of the Materials. Within [*] of delivery of the Materials, Scynexis shall confirm due receipt thereof in writing, which confirmation shall be conclusive evidence of the discharge of Merck's obligations hereunder. If no written confirmation is provided within the required time period, then Scynexis shall be deemed to have received the Materials and Merck's obligations fully discharged.

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(c) Merck shall hold title to and risk of loss and damage to the Materials under this Agreement, until tender to Scynexis at Scynexis' offices, or designated facility at which time, title and risk of loss and damage to the Materials shall transfer to Scynexis. No right or interest in any know-how or any other intellectual property rights of Merck shall be otherwise transferred by the transfer of the Materials.

(d) Scynexis acknowledges and agrees that the Materials are experimental and are supplied to Scynexis "as is." (I) NO REPRESENTATION, CONDITION OR WARRANTY WHATSOEVER IS MADE OR GIVEN BY OR ON BEHALF OF MERCK; AND (II) ALL OTHER CONDITIONS AND WARRANTIES WHETHER ARISING BY OPERATION OF LAW OR OTHERWISE ARE HEREBY EXPRESSLY EXCLUDED, INCLUDING ANY CONDITIONS AND WARRANTIES OF TITLE, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT. Scynexis agrees to rely solely upon its own opinion of the Materials with regard to their safety and suitability for any purpose.

2.5. Use and Maintenance of Prototype Materials.

(a) Scynexis shall maintain proof of usage and disposition of the Prototype Material until [*], including implementation of validated controls to track inventory, distribution, and actual use of such Prototype Material.

(b) Scynexis shall use the Prototype Material for the sole and exclusive purpose of development, testing or product evaluation to support clinical development of Program Compound, in accordance with subheading 9817.85.01 of the Harmonized Tariff Schedule of the United States and applicable laws.

(c) Scynexis shall not sell to a third party the Prototype Material or any derivatives of such Prototype Material, including Product. In addition, Scynexis shall not incorporate the Prototype Material into other products or materials for sale by Scynexis or a third party.

(d) If requested by Merck or U.S. Customs, Scynexis shall provide a specific end use statement for the Prototype Material in the form attached hereto as Schedule 2.5. Such statement shall be provided within [*] of Scynexis' receipt of such request from Merck or U.S. Customs.

(e) Upon the written request of Merck and not more than [*], Scynexis shall permit Merck or its designee to have access during normal business hours to such records and personnel of Scynexis as may be reasonably necessary to verify Scynexis' compliance with the terms and conditions of this Section 2.5.

2.6. Except as otherwise set forth in this Article 2, Merck shall have no obligations to Scynexis, its Affiliates or sublicensees to take any actions or provide any information, documentation, materials or assistance after the Effective Date. For clarity,

Merck shall not be required to respond to any requests by Scynexis, its Affiliates or sublicensees for information, documentation, materials or assistance with regard to any research, development, regulatory, manufacturing, marketing or commercialization matter related to Program Compound or Product.

ARTICLE 3
LICENSE GRANTS, DEVELOPMENT AND COMMERCIALIZATION

3.1. License Grants by Merck.

(a) Exclusive License. Merck hereby grants to Scynexis an exclusive (even as to Merck), royalty-bearing license under Merck's interest in the Program Compound Patent Rights, with a right to grant and authorize sublicenses, to research, develop, make, have made, use, offer to sell, sell and/or import the Product for use in the Field in the Territory during the Term.

(b) Non-Exclusive License. Merck hereby grants to Scynexis a non-exclusive, royalty-bearing license under the Merck Process Patent Rights and Merck Know-How, with a right to grant and authorize sublicenses, to research, develop, make, have made, use, offer to sell, sell and/or import the Product for use in the Field in the Territory during the Term. Further, Merck covenants not to grant any license to a third party under the Merck Process Patent Rights and/or Merck Know-How to research, develop, make, have made, use, offer to sell, sell and/or import the Product for use in the Field in the Territory during the Term.

3.2. License Grant by Scynexis. Scynexis hereby grants to Merck an exclusive (even as to Scynexis), fully paid-up, perpetual license under Scynexis' interest in the Program Compound Patent Rights, with a right to grant and authorize sublicenses, to research, develop, make, have made, use, offer to sell, sell and/or import the Product for use outside of the Field in the Territory; provided, however, if Scynexis accepts assignment of the Program Compound Patent Rights pursuant to Section 3.6(a) then the license granted in this Section 3.2 shall be terminated.

3.3. Merck Retained Rights. The Parties acknowledge and agree that Merck and its Affiliates, and their respective sublicensees, shall retain the rights under the Program Compound Patent Rights to research, develop, make, have made, use, offer to sell, sell and/or import Program Compound and other products outside of the Field in the Territory; provided, however, if Scynexis accepts assignment of the Program Compound Patent Rights pursuant to Section 3.6(a) then all Retained Rights references herein shall be extinguished.

3.4. No Implied Licenses. Except as specifically set forth in this Agreement, neither Party shall acquire any license or other intellectual property interest, by implication or otherwise, in any Proprietary Information disclosed to it under this

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Agreement or under any patent rights, know-how or other intellectual property owned or controlled by the other Party or its Affiliates.

3.5. Sublicenses. Merck and Scynexis shall each have the right to sublicense any or all of the licenses granted to a Party hereunder. Each Party shall be responsible for ensuring that the performance by any of its sublicensees hereunder that are exercising rights under a sublicense hereunder is in accordance with the applicable terms of this Agreement (applicable to the sublicensed activities), and the grant of any such sublicense shall not relieve a Party of its obligations under this Agreement (except to the extent they are performed by any such sublicensee(s) in accordance with this Agreement).

3.6. Prosecution and Enforcement of Merck Patent Rights.

(a) Merck shall prosecute and maintain the Merck Patent Rights in the Territory. Notwithstanding the foregoing, in the event that Merck determines it no longer wishes to prosecute and maintain some or all of the Merck Patent Rights in the Territory, Merck shall offer to assign such Merck Patent Rights to Scynexis. Scynexis shall have [*] from receipt of written notice from Merck to accept or decline the assignment of such Merck Patent Rights. Upon acceptance, the Parties shall execute the necessary instruments effecting the assignment. Scynexis hereby acknowledges and agrees that good and valuable consideration for the assignment of such Merck Patent Rights from Merck to Scynexis shall consist of Scynexis' obligations to make the milestone and royalty payments to Merck as set forth in Article 5 and that such obligations of Scynexis shall remain in full force and effect following the assignment of Merck Patent Rights. In the event that Scynexis declines to accept the assignment of the Merck Patent Rights or fails to respond to Merck's written notice within the [*] notice period, Merck shall have the right to assign any or all of the Merck Patent Rights to a third party or otherwise abandon such Merck Patent Rights in whole or in part. Upon acceptance of the assignment of such Merck Patent Rights and/or the expiration of the [*] notice period, Merck shall no longer be obligated to perform the activities set forth in subsections (b) through (i) below; provided however, notwithstanding the foregoing, in the event that Scynexis has accepted assignment of any Program Compound Patent Rights pursuant to this Section 3.6(a) and a third party should seek to invalidate or render unenforceable any such Program Compound Patent Right, Merck shall offer reasonable assistance to Scynexis (or its licensees) to the extent that such assistance is required as a result of Merck being the original joint owner of such Program Compound Patent Right, at no charge except for reimbursement of reasonable out-of-pocket expenses incurred in rendering such assistance.

(b) Without prejudice to the duties of Merck above, Merck shall give notice to Scynexis of the grant, lapse, revocation, surrender, invalidation or abandonment of any Merck Patent Rights.

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(c) Merck shall inform Scynexis of any request for, or filing or declaration of, any interference, opposition, invalidation, reexamination, reissue proceeding, post-grant review, inter partes review, derivation proceeding or other similar administrative proceeding or administrative appeal thereof, relating to Merck Patent Rights within [*] of learning of such event. Merck shall keep Scynexis informed of developments in any such action or proceeding, including, consultation and approval of any settlement, the status of any settlement negotiations and the terms of any offer related thereto. Merck shall bear the expense of any of the foregoing relating to Merck Patent Rights.

(d) Each Party shall promptly report in writing to each other Party during the term of this Agreement any infringement of any of the Merck Patent Rights in the Field in the Territory by a third party of which it becomes aware. The Parties shall thereafter consult and cooperate fully to determine a course of action, including but not limited to the commencement of legal action by either or both Merck and Scynexis, to terminate any infringement of the Merck Patent Rights. However, Merck, upon written notice to Scynexis, shall have the first right to initiate and prosecute such legal action at its own expense and in the name of Merck and Scynexis or to control the defense of any declaratory judgment action relating to the Merck Patent Rights. Merck shall promptly inform Scynexis if its elects not to exercise such first right and Scynexis shall thereafter have the right to either initiate and prosecute such action or to control the defense of such declaratory judgment action in the name of Scynexis and, if necessary, Merck. Each Party shall have the right to be represented by counsel of its own choice.

(e) In the event that Merck determines to initiate an infringement or other appropriate suit anywhere in the world against such third party in accordance with subsection (d) hereof, Merck shall provide Scynexis with an opportunity to make suggestions and comments regarding such suit and shall promptly notify Scynexis of the commencement of such suit. Merck shall keep Scynexis promptly informed of, and shall from time to time consult with Scynexis regarding, the status of any such suit and shall provide Scynexis with copies of all documents filed in, and all material written communications relating to, such suit. Merck shall select counsel who shall be reasonably acceptable to Scynexis. Merck shall, except as provided below, pay all expenses of the suit, including, without limitation, attorneys' fees and court costs. If necessary, Scynexis shall join as a party to the suit but shall be under no obligation to participate except to the extent that such participation is required as the result of being a named party to the suit. Scynexis shall have the right to participate and be represented in any suit by its own counsel at its own expense. Merck shall not settle any such suit involving rights of Scynexis without obtaining the prior written consent of Scynexis, which consent shall not be unreasonably withheld.

(f) In the event that Scynexis (or its sublicensee) determines to initiate an infringement or other appropriate suit anywhere in the world against such third party in accordance with subsection (d) hereof, Scynexis (or its sublicensee) shall have the

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sole and exclusive right to select counsel and shall pay all expenses of the suit, including without limitation attorneys' fees and court costs. If necessary, Merck shall join as a party to the suit and shall participate only to the extent that such participation is required as a result of its being a named party to the suit or being the holder of any patent at issue or being the owner of any Merck Patent Rights at issue. At Scynexis' request, Merck shall offer reasonable assistance to Scynexis (or its sublicensees) in connection therewith at no charge except for reimbursement of reasonable out-of-pocket expenses incurred in rendering such assistance. Without limiting the generality of the preceding sentence, Merck shall cooperate fully in order to enable Scynexis (or its sublicensees) to institute any action hereunder. Merck shall have the right to be represented in any such suit by its own counsel at its own expense.

(g) Any recovery obtained by either or both Merck and Scynexis in connection with or as a result of any action contemplated by this section, whether by settlement or otherwise, shall be shared in order as follows:

(i) the Party which initiated and prosecuted the action shall recoup all of its costs and expenses incurred in connection with the action;

(ii) the other Party shall then, to the extent possible, recover its costs and expenses incurred in connection with the action; and

(iii) the amount of any recovery remaining shall then be [*].

h) Merck shall inform Scynexis of any certification regarding any Merck Patent Rights it has received pursuant to either 21 U.S.C. §§355(b)(2)(A)(iv) or (j)(2)(A)(vii)(IV) or its successor provisions or any similar provisions in a country in the Territory other than the United States and shall provide Scynexis with a copy of such certification within [*] of receipt. Scynexis' and Merck's rights with respect to the initiation and prosecution of any legal action as a result of such certification or any recovery obtained as a result of such legal action shall be as defined in Sections 3.6(d)-(g) hereof; provided, however, that Merck shall exercise its first right to initiate and prosecute any action and shall inform Scynexis of such decision within [*] of receipt of the certification, after which time Scynexis shall have the right to initiate and prosecute such action.

i) The Parties shall cooperate with each other in obtaining patent term restoration or supplemental protection certificates or their equivalents in any country in the Territory in the Field for the Compound Patent Rights. In the event that elections with respect to obtaining such patent term restoration are to be made, Scynexis shall have the right to direct the election and Merck agrees to abide by such election.

3.7. Development and Commercialization.

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(a) Scynexis, at its sole cost and expense, shall have the sole discretion to research, develop, manufacture and commercialize the Product either alone or together with a third party.

(b) Within [*] following the end of each Calendar Year, Scynexis shall provide to Merck a written progress report which shall describe the development and commercialization activities for the Product, including without limitation, any updates regarding sublicensees involved in the development and/or commercialization of the Product.

3.8. Compliance with Law and Ethical Business Practices.

(a) Each Party shall perform its obligations under this Agreement in compliance with the requirements of applicable law, including without limitation, with respect to the Prototype Materials, the applicable provisions of the Tariff Suspension and Trade Act of 2000 and any subsequent amendments.

(b) Scynexis acknowledges that Merck's corporate policy requires that Merck's business must be conducted within the letter and spirit of the law, including the U.S. Foreign Corrupt Practices Act. By signing this Agreement, Scynexis agrees to conduct the activities contemplated herein in a manner which is consistent with both applicable law and business ethics.

(c) Without limitation of the foregoing, Scynexis warrants that none of its employees, agents, officers or other members of its management are officials, officers, agents, representatives of any government or international public organization. Scynexis shall not make any payment, either directly or indirectly, of money or other assets (hereinafter collectively referred as a "**Payment**"), to government or political party officials, officials of international public organizations, candidates for public office, or representatives of other businesses or persons acting on behalf of any of the foregoing where such Payment would constitute violation of any applicable law.

ARTICLE 4
CONFIDENTIALITY AND PUBLICATION

4.1. Nondisclosure Obligation. All Proprietary Information disclosed by one Party to the other Party hereunder shall be maintained in confidence by the receiving Party and shall not be disclosed to any third party or used for any purpose except as set forth herein, without the prior written consent of the disclosing Party, except to the extent that such Proprietary Information:

(a) is known by the receiving Party at the time of its receipt, and not through a prior disclosure by the disclosing Party, as documented by the receiving Party's business records;

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(b) is in the public domain by use and/or publication before its receipt from the disclosing Party, or thereafter enters the public domain through no fault of the receiving Party;

(c) is subsequently disclosed to the receiving Party by a third party who may lawfully do so and is not under an obligation of confidentiality to the disclosing Party; and

(d) is developed by the receiving Party independently of Proprietary Information received from the disclosing Party, as documented by the receiving Party's business records.

Any combination of features or disclosures shall not be deemed to fall within the foregoing exclusions merely because individual features are published or available to the general public or in the rightful possession of the receiving Party unless the combination itself and principle of operation are published or available to the general public or in the rightful possession of the receiving Party.

4.2. Permitted Disclosures. Notwithstanding Section 4.1, each Party shall be permitted to disclose Proprietary Information of the other Party, if such Proprietary Information:

(a) is disclosed by the receiving Party (or its Affiliates or sublicensees) to governmental or other regulatory agencies in order to obtain patents or to gain or maintain approval to conduct clinical trials or to market Product, but such disclosure may be only to the extent reasonably necessary to obtain patents or authorizations;

(b) is disclosed by receiving Party (or its Affiliates) to its sublicensees, agent(s), consultant(s), and/or other third parties for the research and development, manufacture, marketing and/or sale of Program Compound or Product (or for such third parties to determine their interest in performing such activities) in accordance with this Agreement (including the exercise of licenses granted to a Party hereunder) on the condition that such third parties agree to be bound by confidentiality and non-use obligations that substantially are no less stringent than those confidentiality and non-use provisions contained in this Agreement; provided, however, that the term of confidentiality may be limited to [*]; or

(c) is required to be disclosed by law or court order, provided that notice is promptly delivered to the disclosing Party in order to provide such Party with an opportunity to challenge or limit the disclosure requirement.

4.3. Publication. As between the Parties, Scynexis shall have the right to publish results of any research or development activities conducted by or on behalf of Scynexis with respect to any Product, and Merck (and its Affiliates) shall have no right to do so.

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4.4. Publicity; Use of Names.

(a) Merck agrees that Scynexis may issue a press release upon execution of this Agreement in the form attached hereto as Schedule 4.4.

(b) Except as otherwise expressly set forth in Section 4.2 or this Section 4.4, no disclosure of the existence, or the terms, of this Agreement may be made by either Party. Neither Party shall use the name, trademark, trade name or logo of the other Party, its Affiliates or their respective employee(s) in any publicity, promotion, news release, disclosure or regulatory submission relating to this Agreement or its subject matter, without the prior express written permission of the other Party. Notwithstanding the foregoing, Scynexis shall have the right to disclose the existence and terms of this Agreement to potential capital investors (including, but not limited to, potential purchasers of the stock and/or assets of Scynexis) and to sublicensees, who shall be bound by confidentiality and non-use obligations that substantially are no less stringent than those confidentiality and non-use provisions contained in this Agreement; provided, however, that the term of confidentiality may be limited to three (3) years.

ARTICLE 5
PAYMENTS; ROYALTIES AND REPORTS

5.1. Milestone Payments. In consideration for the licenses granted herein and subject to the terms and conditions of this Agreement, Scynexis shall pay to Merck the following milestone payments:

(a) [*] ($[*]) dollars upon Initiation of the first Phase II Clinical Trial for Product;

(b) [*] ($[*]) dollars upon Initiation of the first Phase III Clinical Trial for Product;

(c) [*] ($[*]) dollars upon first filing of a NDA or foreign equivalent in a Major Market;

(d) [*] ($[*]) dollars upon Marketing Approval in the United States;

(e) [*] ($[*]) dollars upon Marketing Approval in Japan;

(f) [*] ($[*]) dollars upon the first Marketing Approval in a Major European Market;

The foregoing milestone payments will be non-refundable, but will be creditable against future royalties payable. Scynexis shall notify Merck in writing within [*] upon the achievement of each milestone, such notice to be accompanied by payment of the appropriate milestone payment within [*].

5.2. Royalties. In consideration for the licenses granted herein and subject to the terms and conditions of this Agreement, Scynexis shall pay to Merck royalties on a country-by-country basis in an amount equal to:

(a) [*] percent ([*]%) of Net Sales for the initial [*] ($[*]) dollars of sales of Product in the Territory in a Calendar Year by Scynexis, its Affiliates or sublicensees;

(b) [*] percent ([*]%) of Net Sales for sales between [*] ($[*]) dollars and [*] ($[*]) of sales of Product in the Territory in a Calendar Year by Scynexis, its Affiliates or sublicensees;

(c) [*] percent ([*]%) of Net Sales for sales over [*] ($[*]) of sales of Product in the Territory in a Calendar Year by Scynexis, its Affiliates or sublicensees.

Royalties on Product at the rate set forth above shall be effective as of the date of First Commercial Sale of Product in a country with a Valid Patent Claim claiming the manufacture, use or sale of such Product and shall continue until the earlier of (i) expiration of the last-to-expire Valid Patent Claim claiming the manufacture, use or sale of such Product or (ii) ten (10) years from the First Commercial Sale of such Product in such country. As [*], in those countries of the Territory where there are [*], such royalties shall be paid at [*] percent ([*]%) of the rates set forth above effective from the date of First Commercial Sale of Product in such country for a period of [*] thereafter.

5.3. All royalties are subject to the following conditions:

(a) that only one royalty shall be due with respect to the same unit of Product;

(b) that no royalties shall be due upon the sale or other transfer among Scynexis, its Affiliates and sublicensees, but in such cases the royalty shall be due and calculated upon Scynexis' or its Affiliate's or its sublicensee's Net Sales to the first independent third party; and

(c) no royalties shall accrue on the disposition of Product in reasonable quantities by Scynexis, Affiliates or its sublicensees as samples (promotion or otherwise) or as donations (for example, to non-profit institutions or government agencies for a non-commercial purpose).

5.4. It is understood by the parties that Scynexis may sell Product(s) to an independent third party (such as a retailer or wholesaler) and may subsequently perform services relating to Product(s) and other products under a managed pharmaceutical benefits contract or other similar contract. In such cases, it is agreed by the Parties that Net Sales shall be based on [*].

5.5. The Parties acknowledge that during the term of this Agreement, Scynexis' sales practices for the marketing and distribution of Product may change to the extent to which the calculation of the payment for royalties on Net Sales may become impractical or even impossible. In such event the parties agree to meet and

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discuss in good faith new ways of compensating Merck to the extent currently contemplated under Section 5.2.

5.6. In those cases where Scynexis sells bulk Compound rather than Product in packaged form to an independent third party, the royalty obligations of this Section 5 shall be [*].

5.7. If a compulsory license is granted to a third party with respect to Product in any country in the Territory with a royalty rate lower than the royalty rate provided by Section 5.2, then the royalty rate to be paid by Scynexis on Net Sales in that country under Section 5.2 shall be [*].

5.8. In the event that one or more patent licenses from other third parties are required by Scynexis, its Affiliates and sublicensees in order to develop, make, have made, use or sell Program Compound or Product (hereinafter "**Third Party Patent Licenses**"), any consideration actually paid under such Third Party Patent Licenses by Scynexis, its Affiliates or sublicensees, for sale of such Program Compound or Product in a country for such Calendar Quarter shall be creditable against the royalty payments due Merck by Scynexis with respect to the sale of such Products in such country. Notwithstanding the foregoing, in no event shall any amount owed to Merck be reduced by more than [*] percent ([*]%) as a result of such Third Party Patent Licenses.

5.9. In the event a [*] is sold in a country, then the royalty rate to be paid by Merck on Net Sales in that country under Section 5.2 shall be reduced by [*] percent ([*]%) in such country.

5.10. Reports; Payment of Royalty. During the term of this Agreement following the First Commercial Sale of a Product, Scynexis shall furnish to Merck a quarterly written report for the Calendar Quarter showing the Net Sales of all Products subject to royalty payments sold by Scynexis, its Affiliates and sublicensees in the Territory during the reporting period and the royalties payable under this Agreement. Reports shall be due on the [*] day following the close of each Calendar Quarter. Royalties shown to have accrued by each royalty report shall be due and payable on the date such royalty report is due. Scynexis shall keep complete and accurate records in sufficient detail to enable the royalties payable hereunder to be determined.

5.11. Audits.

(a) Upon the written request of Merck and not more than once in each Calendar Year, Scynexis shall permit an independent certified public accounting firm of nationally recognized standing selected by Merck and reasonably acceptable to Scynexis, at Merck's expense, to have access during normal business hours to such of the records of Scynexis as may be reasonably necessary to verify the accuracy of the royalty reports hereunder for any year ending not more than [*] prior to the date of such

request. The accounting firm shall disclose to Merck only whether the royalty reports are correct or incorrect and the specific details concerning any discrepancies. No other information shall be provided to Merck.

(b) If such accounting firm correctly concludes that additional royalties were owed during such period, Scynexis shall pay the additional royalties within [*] days of the date Merck delivers to Scynexis such accounting firm's written report so correctly concluding. The fees charged by such accounting firm shall be paid by Merck. Notwithstanding the foregoing, in the event that the verification discloses an underpayment to Merck of more than [*] percent ([*]%) of the amount due and at least [*] ($[*]) dollars, Scynexis shall promptly reimburse Merck the fees and costs of the representative, and reasonable costs incurred by Merck in respect of the audit.

(c) Scynexis shall include in each sublicense granted by it pursuant to this Agreement a provision requiring the sublicensee to make reports to Scynexis and to keep and maintain records of sales made pursuant to such sublicense to the same extent required of Scynexis under this Agreement.

(d) Merck shall treat all financial information subject to review under this Section 5.5 (or under any sublicense agreement) in accordance with the confidentiality and non-use provisions of this Agreement, and shall cause its accounting firm to enter into an acceptable confidentiality agreement with Scynexis, its Affiliates and/or sublicensees obligating it to retain all such information in confidence pursuant to such confidentiality agreement.

5.12. Payments and Exchange Rate. All payments to be made by Scynexis to Merck under this Agreement shall be made in United States Dollars and may be paid by bank wire transfer in immediately available funds to the account designated in writing by Merck. In the case of sales outside the United States, the rate of exchange to be used in computing the monthly amount of currency equivalent in United States Dollars due Merck shall be made at the monthly rate of exchange utilized by Scynexis in its worldwide accounting system (or such other globally accepted standard as Scynexis may choose from time-to-time), prevailing on the third to the last business day of the month preceding the month in which such sales are recorded by Scynexis.

5.13. Income Tax Withholding. Merck shall be liable for all income and other taxes (including interest) ("**Taxes**") imposed upon any payments made by Scynexis to Merck under this Article 5 ("**Agreement Payments**"). If applicable laws, rules or regulations require the withholding of Taxes, Scynexis shall make such withholding payments and shall subtract the amount thereof from the Agreement Payments. Scynexis shall submit to Merck appropriate proof of payment of the withheld Taxes as well as the official receipts within a reasonable period of time. Scynexis shall provide Merck reasonable information in its possession in order to allow Merck to obtain the

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benefit of any present or future treaty against double taxation which may apply to the Agreement Payments.

5.14. Third Party Licenses. Notwithstanding anything to the contrary herein (including Section 5.7), but subject to the provisions of 5.8, Scynexis shall be solely responsible for satisfying all costs and payments of any kind (including all upfront fees, annual payments, milestone payments and royalty payments) (i) arising under any license or other grant of rights from a third party to Scynexis (or any of its Affiliates) and/or (ii) otherwise arising as a result of the exercise by Scynexis of any licenses under this Agreement.

5.15. Late Fees. If Scynexis fails to pay in full any undisputed sum payable under this Agreement within [*] after the end of the period specified for payment, the amount outstanding shall bear interest at a per annum rate of prime as reported in the Wall Street Journal [*] or the maximum rate allowable by applicable law, whichever is less.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

6.1. Representations and Warranties of Each Party. Each Party represents and warrants to the other Party that as of the Effective Date:

(a) such Party is duly organized and validly existing under the laws of the state of its organization and has full corporate power and authority to enter into this Agreement and to perform its obligations hereunder; and

(b) the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by the necessary corporate actions of such Party. This Agreement has been duly executed by such Party. This Agreement and any other documents contemplated hereby constitute valid and legally binding obligations of such Party enforceable against it in accordance with their respective terms, except to the extent that enforcement of the rights and remedies created thereby is subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors.

6.2. Additional Merck Representations and Warranties. Merck represents and warrants to Scynexis that as of the Effective Date:

(a) all issued patents contained within the Merck Patent Rights are in full force and effect and to the best of Merck's knowledge, the Merck Patent Rights and Merck Know-How exist and are not invalid or unenforceable, in whole or in part;

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(b) it has the full right, power and authority to enter into this Agreement, to perform the activities hereunder, and to grant the licenses granted hereunder;

(c) it (and its Affiliates) has not previously (i) assigned, transferred, conveyed or otherwise encumbered its right, title and/or interest in any Merck Patent Rights, or (ii) otherwise granted any rights to any third parties that would conflict with the rights granted to Scynexis hereunder, and, to the best of Merck's knowledge, there is no unauthorized use, infringement or misappropriation of any Merck Patent Rights;

(d) it jointly owns with Scynexis the Program Compound Patent Rights, all of which are free and clear of any liens, charges and encumbrances;

(e) it owns the Merck Process Patent Rights, all of which are free and clear of any liens, charges and encumbrances; and

(f) to its Knowledge, except as disclosed on Schedule 6.2 attached hereto, it has provided a copy of all material information relating to safety and efficacy data from assays or test procedures that Merck considers to be non-proprietary for the Program Compound.

6.3. Disclaimers. Merck does not make any representation or warranty, and specifically disclaims any warranty:

(a) that the Program Compound will be useful to Scynexis for any purpose whatsoever; and more specifically Merck makes no representations or warranties concerning the manufacturing process, or the efficacy, safety or adequacy of the Program Compound for the purpose of researching, developing, manufacturing, marketing or selling the Product before or after the Effective Date;

(b) concerning the efficacy or safety for human use of Program Compound, whether in the formulation heretofore manufactured or in the form of any other hydrates, solvates, salts, polymorphic forms (different crystal forms) of Program Compound or any derivatives thereof;

(c) concerning the accuracy, completeness or utility of the Program Documentation for any purpose, including without limitation, the research and development of Program Compound or Product; or

(d) concerning any legal and regulatory requirements that must be satisfied by Scynexis before Scynexis will be able lawfully to manufacture, market and sell the Product in the Territory.

6.4. SCYNEXIS ACKNOWLEDGES AND AGREES THAT, EXCEPT FOR THE EXPRESS REPRESENTATIONS AND WARRANTIES CONTAINED IN THIS

AGREEMENT, MERCK HAS MADE NO REPRESENTATION OR WARRANTY WHATSOEVER AND SCYNEXIS HAS NOT RELIED ON ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, EXCEPT THOSE EXPRESSLY SET FORTH IN THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SCYNEXIS ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, MERCK IS PROVIDING THE IND, PROGRAM DOCUMENTATION AND MATERIALS ON AN "AS IS, WHERE IS" BASIS WITHOUT ANY EXPRESS OR IMPLIED WARRANTIES AS TO THE FITNESS FOR A PARTICULAR PURPOSE, MERCHANTABILITY OR CONDITION OF THE ASSETS OR AS TO THE NON-INFRINGEMENT OF ANY INTELLECTUAL PROPERTY RIGHTS OF ANY PERSON OR AS TO ANY OTHER MATTER.

ARTICLE 7
RELEASE AND INDEMNIFICATION

7.1. Merck Release. Merck (on behalf of itself and its successors or assigns, past and present officers, directors, employees, agents and representatives) freely and voluntarily releases, relinquishes and forever discharges Scynexis and its parent, affiliates, subsidiaries, successors and assigns, past and present officers, directors, employees, agents and representatives, from and against any and all claims, demands, causes of action, complaints, arbitrations, suits, judgments, demands, obligations or liabilities, damages, rights, costs, loans, debts and expenses of any kind or nature (including attorneys' fees and expenses), in law or equity, whether known or unknown, disclosed or undisclosed ("**Claims**"), that Merck now has or ever has had as of the Effective Date based on, by reason of, or arising out of the 2002 Agreement (the "**Merck Released Claims**"). In addition, Merck represents and warrants that it has not heretofore assigned or transferred, or purported to have assigned or transferred to any entity or person, any of the Released Claims, or any amount of money related thereto.

7.2. Scynexis Release. Scynexis (on behalf of itself and its successors or assigns, past and present officers, directors, employees, agents and representatives) freely and voluntarily releases, relinquishes and forever discharges Merck and its parent, affiliates, subsidiaries, successors and assigns, past and present officers, directors, employees, agents and representatives, from and against any and all Claims that Scynexis now has or ever has had as of the Effective Date based on, by reason of, or arising out of the 2002 Agreement, including any and all activities related to the research and development of Program Compound (the "**Scynexis Released Claims**"). In addition, Scynexis represents and warrants that it has not heretofore assigned or transferred, or purported to have assigned or transferred to any entity or person, any of the Scynexis Released Claims, or any amount of money related thereto.

7.3. Indemnification. Scynexis shall indemnify and hold Merck and its Affiliates and their respective officers, directors, agents and employees ("**Merck**

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Indemnitees") harmless from and against any Claims arising under or related to this Agreement against them to the extent arising or resulting from:

(a) the research, development and commercialization of Program Compound and Product by Scynexis, its Affiliates, sublicensees or third parties acting on Scynexis' behalf;

(b) the breach of this Agreement by Scynexis; or

(c) the negligence or willful misconduct of Scynexis in regard to its performance, or non-performance, under this Agreement.

7.4. Indemnification Procedure.

(a) Each Merck Indemnitee shall provide Scynexis with prompt written notice of any Claims or the discovery of a fact upon which such Merck Indemnitee intends to base a request for indemnification under Section 7.3 (it being understood and agreed, however, that the failure to give notice as provided in this Section 7.4 shall not relieve Scynexis of any such indemnification obligations except and only to the extent that Scynexis is actually materially prejudiced as a result of such failure to give notice).

(b) Each Party shall furnish promptly to the other Party copies of all papers and official documents received in respect of any Claims resulting from or arising out of any Claim by a third party against a Merck Indemnitee (a "**Third Party Claim**"). The Merck Indemnitee shall reasonably cooperate as requested by and at the expense of Scynexis in the defense of any Third Party Claims.

(c) Within [*] after receipt of such notification as set forth in subsection (a), Scynexis may, upon written notice thereof to the Merck Indemnitee, assume control of the defense of any Third Party Claim with counsel reasonably satisfactory to the Merck Indemnitee. The Merck Indemnitee shall provide Scynexis with all information in its possession and all assistance reasonably necessary to enable Scynexis to carry on the defense of any such Third Party Claim. If Scynexis does not assume control of such defense, the Merck Indemnitee shall control such defense. The Party not controlling such defense may participate therein at its own expense. The Party controlling such defense shall keep the other Party advised of the status of the Third Party Claim and the defense thereof and shall consider recommendations made by the other Party with respect thereto. The Merck Indemnitee shall not agree to any settlement of any Third Party Claim without the prior written consent of Scynexis, which shall not be unreasonably withheld, delayed or conditioned. Scynexis shall not agree to any settlement of any Third Party Claim or consent to any judgment in respect thereof that does not include a complete and unconditional release of the Merck Indemnitee from all liability with respect thereto or that imposes any liability or obligation on the Merck

Indemnitee without the prior written consent of the Merck Indemnitee; *provided, however*, Scynexis may agree to a settlement of such action, suit, proceeding or Third Party Claim or consent to any judgment in respect thereof with prior written notice to the Merck Indemnitee but without the consent of the Merck Indemnitee where the only liability to the Merck Indemnitee is the payment of money and Scynexis makes such payment.

7.5. Insurance. Scynexis shall, at its sole expense, maintain in effect at all times during the period of the Agreement insurance coverage with minimum limits as follows: (a) commercial general liability – occurrence form general aggregate (including contractual liability) of $[*]; (b) combined bodily injury/property damage each occurrence of $[*]; (c) products liability (including bodily injury and financial loss) of $[*]; and (d) excess liability – umbrella form of $[*]. Upon receipt of a written request from Merck, Scynexis shall deliver to Merck an insurer or insurer's agent signed certificate of insurance, as evidence that policies providing such coverage and limits of insurance are in full force and effect and with insurers, having an AM Best (A-) or higher rating. These certificates of insurance shall provide that not less than [*] advance notice shall be given in writing to Scynexis of any cancellation, termination, or material alteration of said insurance policies. Merck (including its Affiliates) and their respective officers, directors and employees should be added as additional insureds on the commercial general liability policies and Scynexis' insurers shall waive all rights of subrogation against Merck. Scynexis' insurance shall be primary with no contribution by Merck insurance. All deductibles or self-insured retentions are the responsibility of Scynexis.

ARTICLE 8
TERM AND TERMINATION

8.1. Term and Expiration. This Agreement shall be effective as of the Effective Date and unless terminated earlier pursuant to Sections 8.2, the term of this Agreement shall continue in full force and effect until expiration of all royalty obligations hereunder ("**Term**"). Upon expiration of this Agreement due to expiration of all royalty obligations hereunder, Scynexis' licenses pursuant to Section 3.1 shall become fully paid-up, perpetual licenses.

8.2. Termination for Cause.

(a) Cause for Termination. This Agreement may be terminated at any time during the term of this Agreement upon written notice by a Party if the other Party is in breach of its material obligations hereunder by causes and reasons within its control and has not cured such breach within [*] after written notice requesting cure of such breach; provided, however, in the event of a good faith dispute with respect to the existence of such breach, the [*] cure period shall be tolled until such time as the dispute is resolved pursuant to Section 9.6. Notwithstanding the foregoing, any [*] failure by

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[*] to [*] in Section [*] shall [*] under such Section and [*] under this Agreement shall consist of [*] to [*] within the [*] cure period or such other period as mutually agreed by the Parties.

(b) Effect of Termination for Cause.

(i) if [*] terminates this Agreement under Section 8.2, [*] as of the effective date of such termination;

(ii) if [*] terminates this Agreement under Section 8.2, [*] as of the effective date of such termination.

8.3. Effect of Expiration or Termination; Survival. Expiration or termination of this Agreement shall not relieve the Parties of any obligation accruing prior to such expiration or termination. Each Party shall pay all amounts then due and owing as of the expiration or termination date. Any expiration or termination of this Agreement shall be without prejudice to the rights of either Party against the other accrued or accruing under this Agreement prior to expiration or termination. The provisions of Article 4 shall survive the expiration or termination of this Agreement and shall continue in effect for [*] following termination or expiration. The provisions of Article 1 (as necessary for the interpretation of other surviving provisions); [*] Sections 6.3 and 6.4; Article 7; Article 8; and Article 9 shall survive any expiration or termination of this Agreement.

ARTICLE 9
MISCELLANEOUS

9.1. Force Majeure. Neither Party shall be held liable or responsible to the other Party nor be deemed to have defaulted under or breached the Agreement for failure or delay in fulfilling or performing any term of the Agreement when such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party including, but not limited to, fire, floods, embargoes, war, acts of war (whether war be declared or not), insurrections, riots, civil commotion, strikes, lockouts or other labor disturbances, acts of God or acts, omissions or delays in acting by any governmental authority or the other Party. The affected Party shall notify the other Party of such force majeure circumstances as soon as reasonably practical.

9.2. Assignment. The Agreement may not be assigned or otherwise transferred, nor, except as expressly provided hereunder, may any right or obligations hereunder be assigned or transferred, by either Party without the consent of the other Party, such consent not to be unreasonably withheld; provided, however, that a Party may at any time during the Term assign the Agreement and its rights and obligations hereunder to an Affiliate or in connection with the transfer or sale of all or substantially all of its assets related to the Product or the business, or in the event of its merger or

consolidation or change in control or similar transaction. Any permitted assignee shall assume all obligations of its assignor under the Agreement.

9.3. Severability. In the event any one or more of the provisions contained in this Agreement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby, unless the absence of the invalidated provision(s) adversely affect the substantive rights of the Parties. The Parties shall in such an instance use their best efforts to replace the invalid, illegal or unenforceable provision(s) with valid, legal and enforceable provision(s) which, insofar as practical, implement the purposes of this Agreement.

9.4. Notices. All notices or other communications which are required or permitted hereunder shall be in writing and sufficient if delivered personally, sent by facsimile (and promptly confirmed by personal delivery, registered or certified mail or overnight courier), sent by nationally-recognized overnight courier or sent by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

if to Scynexis, to:	Scynexis, Inc. 3501 C Tricenter Boulevard Durham, NC 27713 Attn: Director, Business Development Fax: (919) 544-8697
with a copy to:	Scynexis Chemistry & Automation, Inc. 3501 C Tricenter Boulevard Durham, NC 27713 Attn: President & CEO Fax: (919) 544-8697
if to Merck, to:	Merck Sharp & Dohme Corp. One Merck Drive (WS 2A-50) P.O. Box 100 Whitehouse Station, NJ 08889-0100 Attn: Chief Licensing Officer Fax: (908) 735-1201
with a copy to:	Merck Sharp & Dohme Corp. One Merck Drive (WS 3A-65) P.O. Box 100 Whitehouse Station, NJ 08889-0100 Attn: Office of Secretary Fax: (908) 735-1246

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or to such other address as the Party to whom notice is to be given may have furnished to the other Party in writing in accordance herewith. Any such communication shall be deemed to have been given when delivered if personally delivered or sent by facsimile on a business day, on the business day after dispatch if sent by nationally-recognized overnight courier and on the third business day following the date of mailing if sent by mail.

9.5. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Jersey and the United States without reference to any rules of conflict of laws or renvoi.

9.6. Dispute Resolution. The Parties shall negotiate in good faith and use reasonable efforts to settle any dispute, controversy or claim arising from or related to this Agreement or the breach thereof. If the Parties do not fully settle, and a Party wishes to pursue the matter, each such dispute, controversy or claim that is not an "**Excluded Claim**" shall be finally resolved by binding arbitration in accordance with the Commercial Arbitration Rules and Supplementary Procedures for Large Complex Disputes of the American Arbitration Association ("**AAA**"), and judgment on the arbitration award may be entered in any court having jurisdiction thereof. The arbitration shall be conducted by a panel of three persons experienced in the pharmaceutical business. Within [*] after initiation of arbitration, each Party shall select one person to act as arbitrator and the two Party-selected arbitrators shall select a third arbitrator within [*] of their appointment. If the arbitrators selected by the Parties are unable or fail to agree upon the third arbitrator, the third arbitrator shall be appointed by the AAA. The place of arbitration shall be New York, New York. Either Party may apply to the arbitrators for interim injunctive relief until the arbitration award is rendered or the controversy is otherwise resolved. Either Party also may, without waiving any remedy under this Agreement, seek from any court having jurisdiction any injunctive or provisional relief necessary to protect the rights or property of that Party pending the arbitration award. The arbitrators shall have no authority to award punitive or any other type of damages not measured by a Party's compensatory damages. Each Party shall bear its own costs and expenses and attorneys' fees and an equal share of the arbitrators' and any administrative fees of arbitration. Except to the extent necessary to confirm an award or as may be required by law, neither a Party nor an arbitrator may disclose the existence, content, or results of an arbitration without the prior written consent of both Parties. In no event shall an arbitration be initiated after the date when commencement of a legal or equitable proceeding based on the dispute, controversy or claim would be barred by the applicable New York statute of limitations. As used in this Section, the term "**Excluded Claim**" shall mean a dispute, controversy or claim that concerns (a) the validity or infringement of a patent, trademark or copyrights, including without limitation the Merck Patent Rights; or (b) any antitrust, anti-monopoly or competition law or regulation, whether or not statutory.

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9.7. Entire Agreement. This Agreement constitutes the entire understanding of the Parties with respect to the subject matter hereof. All express or implied agreement and understandings, either oral or written, heretofore made are expressly merged in and made a part of this Agreement. This Agreement may be amended, or any term thereof modified, only by a written instrument duly executed by both Parties hereto.

9.8. Headings. The captions to the several Articles and Sections hereof are not a part of this Agreement, but are merely guides or labels to assist in locating and reading the several Articles and Sections hereof.

9.9. Independent Contractors. It is expressly agreed that Scynexis and Merck shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency. Neither Scynexis nor Merck shall have the authority to make any statements, representations or commitments of any kind, or to take any action, which shall be binding on the other, without the prior consent of the other Party.

9.10. Waiver. The waiver by either Party hereto of any right hereunder or the failure to perform or of a breach of the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by said other Party whether of a similar nature or otherwise.

9.11. Counterparts. This Agreement 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.

9.12. Waiver of Rule of Construction. Each Party has had the opportunity to consult with counsel in connection with the review, drafting and negotiation of this Agreement. Accordingly, the rule of construction that any ambiguity in this Agreement shall be construed against the drafting Party shall not apply.

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IN WITNESS WHEREOF, the Parties have duly executed this Agreement to be effective as of the Effective Date.

MERCK SHARP & DOHME CORP.

By: /s/ Roger J. Pomerantz
Roger J. Pomerantz, M.D., F.A.C.P.
Senior Vice President
Head of Worldwide Licensing & Acquisitions

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Yves Ribeill
President and CEO

[SIGNATURE PAGE TO TERMINATION AND LICENSE AGREEMENT]

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SCHEDULE 1.19

MATERIALS

[*]

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SCHEDULE 1.21

Form of Merck Letter to be Submitted to FDA

Donnette D. Staas, Ph.D.
Director
Global Regulatory Affairs

Merck Sharp & Dohme Corp.
351 Sumneytown Pike
Upper Gwynedd, PA 19454-2504
Tel: 267-305-1892
Fax: 267-305-8181
donnette_staas@merck.com

MERCK

John Farley, M.D., M.P.H., Acting Director
Food and Drug Administration
Center for Drug Evaluation and Research
Division of Anti-Infective Products
5901-B Ammendale Road
Beltsville, MD 20705-1266

Serial No.

Dear Dr. Farley:

IND 107,521: MK-3118
Transfer of Ownership of IND

Reference is made to the subject Investigational New Drug (IND) application for MK-3118 for the treatment of fungal infections, which was submitted on January 12, 2010 (Serial No. 0000).

This letter and the attached signed form FDA 1571 serve as notification of the change in ownership of this IND from Merck Sharp & Dohme Corp, a subsidiary of Merck & Co, Inc. (Merck) to SCYNEXIS, Inc. The change in ownership becomes effective on 24-05-2013.

The new sponsor's contact information is:

Katyna Borroto-Esoda
Director, Clinical Affairs
SCYNEXIS, Inc.
3501C Tricenter Boulevard
Durham, NC 27713
Tel: 919-237-4431
Fax: 919-544-8697
Email: Katyna.Borroto-Esoda@scynexis.com

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Pursuant to the provisions in 21 CFR 312, Section 312.50, all rights and responsibilities associated with the subject Investigational New Drug application have been transferred to SCYNEXIS, Inc. In addition, the complete IND record has been forwarded to SCYNEXIS, Inc.

This submission is being submitted in accordance with the current FDA Guidance Documents for the electronic common technical document. This submission is being transmitted through the FDA's electronic submission gateway. Merck has taken precautions to ensure that the contents are free of computer viruses (McAfee Agent, McAfee, Inc.), and we authorize the use of anti-virus software, as appropriate.

We consider the information included in this submission to be a confidential matter, and request that the Food and Drug Administration not make its content, public without first obtaining the written permission of Merck.

In my absence questions concerning the content of this submission should be directed to Laurie MacDonald (267) 305-5540.

Sincerely,

Donnette D. Staas, Ph.D.
Director
Global Regulatory Affairs

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SCHEDULE 1.26

MERCK PROCESS PATENT RIGHTS

Merck Reference	Country	Application Number	Filing Date	Publication Number	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

Merck Reference	Country	Application Number	Filing Date	Publication Number	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE 1.31

OTHER COMPOUND PATENT RIGHTS

Merck Reference	Country	Application Number	Filing Date	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]

Merck Reference	Country	Application Number	Filing Date	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]

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Merck Reference	Country	Application Number	Filing Date	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE 1.39

PROGRAM COMPOUND PATENT RIGHTS

Merck Reference	Country	Application Number	Filing Date	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]

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Merck Reference	Country	Application Number	Filing Date	Patent Number	Issue Date	Status
[*]	[*]	[*]	[*]	[*]	[*]	[*]

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SCHEDULE 1.41

PROGRAM DOCUMENTATION

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SCHEDULE 1.41
PROGRAM DOCUMENTATION

Confidential

Source Area	Additional Information	Suggested Mode of Transfer- Electronic or Paper	Completion Date
[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

SCHEDULE 1.41
PROGRAM DOCUMENTATION

Confidential

Source Area	Scynexis Questions/Comments	Merck Response
[*]	[*]	[*]

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Confidential

SCHEDULE 1.45

Scynexis Letter to be Submitted to FDA

May 28, 2013

John Farley, M.D., M.P.H., Acting Director
Food and Drug Administration
Center for Drug Evaluation and Research
Division of Anti-Infective Products
5901-B Ammendale Road
Beltsville, MD 20705-1266

Serial No.

Dear Dr. Farley:

IND 107,521: MK-3118
Transfer of Ownership of IND

Reference is made to the subject Investigational New Drug (IND) application for MK-3118 for the treatment of fungal infections, which was submitted on January 12, 2010 (Serial No. 0000). Reference is also made to the letter dated [xx-xx-2013] from Merck Sharp & Dohme Corp. with regard to IND 107,521 (Serial # YYYY, see attached).

This letter and the attached signed form FDA 1571 serve as confirmation of the acceptance by SCYNEXIS, Inc. of the transfer of ownership of the aforementioned IND from Merck Sharp & Dohme Corp, a subsidiary of Merck & Co, Inc. (Merck) to SCYNEXIS, Inc. The change in ownership becomes effective on 24-05-2013.

The contact information for SCYNEXIS, Inc. is:

Katyna Borroto-Esoda
Director, Clinical Affairs
SCYNEXIS, Inc.
3501C Tricenter Boulevard
Durham, NC 27713
Tel: 919-237-4431
Fax: 919-544-8697
Email: Katyna.Borroto-Esoda@scynexis.com

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Pursuant to the provisions in 21 CFR 312, Section 312.50, all rights and responsibilities associated with the subject Investigational New Drug application are hereby accepted by SCYNEXIS, Inc.

We consider the information included in this submission to be a confidential matter, and request that the Food and Drug Administration not make its content, public without first obtaining the written permission of Scynexis, Inc.

In my absence questions concerning the content of this submission should be directed to Yves Ribeill at yves.ribeill@scynexis.com or 919-544-8602.

Sincerely,

Katyna Borroto-Esoda
Director, Clinical Affairs
SCYNEXIS, Inc.

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SCHEDULE 2.5

Specific End Use Statement for Prototype Material

[To be printed on Scynexis company letterhead]

Port Director
United States Customs and Border Protection

Re: MK-3118, a semi-synthetic derivative of the natural product enfumafungin

Dear Customs Officer:

Please be advised that the material referenced above imported by Merck Sharp & Dohme Corp. is pharmaceutical active ingredient to be used exclusively by Scynexis, Inc. for pharmaceutical-related research, development, product evaluation, testing and quality control purposes. The merchandise is imported in normal non-commercial quantities in accordance with industry practice, and will not be sold after importation or incorporated into other products that are sold. For these reasons the merchandise is being entered under Heading 9817.85.01. Based on General Rules of Interpretation 3(c) the underlying classification of the material is 2935.00.7500.

Very truly yours,

Name
Title
Location
Phone

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SCHEDULE 4.4

FORM OF PRESS RELEASE

SCYNEXIS Gains Worldwide Rights to Novel Antifungal Compound
—First Oral Glucan Synthase Inhibitor Ready to Enter Phase II Trials—

Research Triangle Park, NC (DATE) – SCYNEXIS, Inc. announced today that Merck, known as MSD outside the United States and Canada, has decided to return to SCYNEXIS all development and commercialization rights for the novel antifungal compound, MK-3118, an oral glucan synthase inhibitor being developed for the treatment of systemic fungal diseases. This decision was made following a review and prioritization of Merck's infectious disease portfolio.

In 2002, SCYNEXIS and Merck announced an exclusive license and research agreement focused on antifungal discovery and development of treatments for invasive fungal infections such as *Candida* and *Aspergillus*. MK-3118 is the first compound developed under the agreement to have completed Phase I studies and be ready to enter Phase IIb studies.

"We have enjoyed a successful collaboration with our Merck colleagues and will continue to advance the clinical development of MK-3118, now SCY-078, to help a growing and under-served patient population," said Yves Ribeill, PhD, president and chief executive officer, SCYNEXIS. "The addition of this anti-fungal platform to our portfolio expands our pipeline and positions SCYNEXIS as a leading anti-infective company."

"Working together, we have made good progress in advancing MK-3118 to this clinical stage," said Roger Pomerantz, senior vice president and head, Worldwide Licensing and Knowledge Management, Merck. "Merck continues to advance its infectious disease pipeline and remains committed to delivering medicines in this important therapeutic area."

Under the terms of the agreement, SCYNEXIS will receive all rights to MK-3118, including a transfer from Merck to SCYNEXIS of the pre-clinical, IND and Phase I data packages. The company plans to progress the clinical development while simultaneously evaluating new partnership opportunities. Merck will be eligible to receive milestones and royalties.

Data on this novel compound have been presented at the 49 th and 50th Interscience Conference on Antimicrobial Agents and Chemotherapy (ICAAC) and published in multiple journals including the May 2012 issue of *Bioorganic & Medicinal Chemistry Letters* and the November 2012 issue of the *Journal of Antimicrobial Chemotherapy*.

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About SCY-078 (formerly MK-3118)

SCY-078/MK-3118 is the first oral glucan synthase inhibitor being developed for the treatment of systemic fungal diseases. SCY-078/MK-3118 is a semi-synthetic derivative of the natural product enfumafungin—a structurally distinct class of glucan synthase inhibitors. Glucan synthase inhibitors have been very effective in treating invasive fungal infections in a hospital setting, but are currently only available as an intravenous dosing option.

About SCYNEXIS

SCYNEXIS delivers innovative solutions to solve the toughest problems in drug discovery and development for our pharmaceutical, global health and life science partners. Our contract research and development services include Integrated Pharmaceutical Solutions, Discovery Research and Integrated Parasitology. We have successfully delivered preclinical and clinical drug candidates to our customers across all major therapeutic indications and have developed our own proprietary cyclophilin inhibitor programs for the treatment of a broad range of diseases, including HCV, HBV and inflammation. For more information, visit www.scynexis.com.

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SCHEDULE 6.2

[*]

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Exhibit 10.13

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Dated 10 June 2005

(1) SCYNEXIS, Inc.

- and -

(2) C-CHEM AG

Agreement for the Assignment of Patents and Know How

concerning Cyclosporin Derivatives

THIS AGREEMENT is made the 10th day of June 2005

BETWEEN:-

(1) **SCYNEXIS, Inc.,** a corporation incorporated under the laws of Delaware having its principal place of business at 3501C Tricenter Boulevard, Durham, North Carolina, 27713, United States of America ("Scynexis"); and

(2) **C-CHEM AG,** a company incorporated under the laws of Switzerland having its principal place of business at Bundesplatz 12, CH-6300 Zug, Switzerland ("C-CHEM").

BACKGROUND:-

(A) C-CHEM has developed or acquired inventions and know-how concerning cyclosporine derivatives, and owns certain patents relating to such inventions.

(B) C-CHEM and Scynexis entered into an Option Agreement dated 17 February 2004 under which C-CHEM granted Scynexis an option to obtain an assignment of the entire right, title and interest in such inventions, know-how and patents (the "Option Agreement").

(C) Pursuant to the Option Agreement, C-CHEM is willing to assign and Scynexis wishes to receive such assignment of C-CHEM's inventions, know-how, and patents concerning cyclosporin derivatives in accordance with and subject to the provisions of this Agreement.

THE PARTIES AGREE AS FOLLOWS:-

1. Definitions

In this Agreement the following words and expressions shall have the following meanings:-

1.1. "Affiliate" means any company or other legal entity which, now or hereafter, directly or indirectly, owns or controls, is owned or controlled by or is under common ownership or control with a party to this Agreement. In the case of legal entities having stock and/or shares, ownership or control shall exist through the direct or indirect ownership and/or control of more than fifty percent of the voting stock or shares. In the case of any other legal entity, ownership and/or control shall exist through the ability to directly or indirectly control the management and/or business of the legal entity;

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1.2.	"Ancillary Rights"	any copyrights, design rights, database rights and/or similar rights that subsist in the Documentation;
1.3.	"Assignment"	the patent assignment to be executed by C-CHEM and Scynexis on the Commencement Date;
1.4.	"Commencement Date"	the date of this Agreement as written at the start of this Agreement;
1.5.	"Compound"	means a Compound [*] or a Compound [*];
1.6.	"Compound [*]"	any compound, whose manufacture, sale or use falls within the scope of a Valid Claim of [*]. Included are any and all compounds [*];
1.7.	"Compound [*]"	any compound, whose manufacture, sale or use falls within the scope of a Valid Claim of [*]. Included are any and all compounds, [*];
1.8.	"Documentation"	the documents and files (whether in paper, electronic or other form) (1) in the possession or control of C-CHEM containing the Know How and/or (2) contained in the prosecution files for the Patents and any original title documents relating to the Patents including the original patent office filing receipts, original renewal certificates;
1.9.	"Holding Party"	the party that under the provisions of Clauses 14.1 and 14.2, does not own the Confidential Material concerned;
1.10.	"Information"	data, results, know-how, show-how, software, algorithms, inventions, designs, trade secrets, plans, forecasts, analyses, evaluations, research, technical information, concepts, techniques, processes, business information, financial information, business plans, strategies, customer lists, marketing plans, or other information whether oral, in writing, in electronic form or in any other form;
1.11.	"Inventions"	the inventions described in the Patents:
1.12.	"Inventors"	[*];
1.13.	"Know How"	the Information in the possession of and/or controlled by C-CHEM that was disclosed to Scynexis as part of Scynexis' due diligence process in the year 2004, which Information is described in Schedule 2.
1.14.	"Licensee"	any third party to whom Scynexis has granted a licence

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under the Patents;

1.15. "Net Sales Value" the gross amount invoiced by or on behalf of Scynexis and any sublicensee for Product sold to third parties other than Licensees, less the following deductions, determined in accordance with Scynexis' standard accounting methods:

(i) trade and quantity discounts;

(ii) amounts repaid or credited by reasons of defects, rejection recalls, returns, shortages, rebates and allowances of goods or because of retroactive price reductions;

(iii) chargebacks and other amounts paid on sale or dispensing of such Product, including sales commissions paid to distributors and/or selling agents;

(iv) amounts payable resulting from governmental (or agency thereof) mandated rebate programes;

(v) third-party cash rebates and chargebacks related to sales of the finished Product;

(vi) tariffs, duties, excise, sales, value-added and other taxes;

(vii) retroactive price reductions allowed or granted;

(viii) cash discounts for timely payment;

(ix) delayed ship order credits;

(x) discounts pursuant to indigent patient programs and patient discount programs, including, without limitation, "Together Rx" and coupon discounts;

(xi) freight, postage and insurance charges;

(xii) any other amounts included in the Product's gross invoice that should be credited for reasons substantially equivalent to those listed above;

1.16. "Owning Party" the party that owns the Confidential Material concerned as specified in Clauses 14.1 and 14.2;

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1.17. "Patents" means:

(a) the patents and patent applications listed in Schedule 1 as LÜCH-1 and E11-1,

(b) any and all foreign counterparts, and any patents and patent applications anywhere in the world claiming, or entitled to claim, priority from any of the patents and patent applications listed in Schedule 1, and any patents issued or issuing on any of such applications,

(c) any provisional and non-provisional applications anywhere in the world, including certificates of invention and applications for certificates of invention, claiming Inventions and any patents issued or issuing on any such applications,

(d) any continuations, divisions, continuations-in-part, re-examinations, renewals, supplementary protection certificates, patents of addition, utility models of any of the foregoing and any patents issued or issuing thereon, and

(e) any reissues and extensions of any of the foregoing;

1.18. "Personnel" means in respect of a party, its officers, employees, consultants, agents, representatives, contractors and advisors;

1.19. "Products" means any product containing a Compound;

1.20. "Quarter" the quarterly periods ending 31 March, 30 June, 30 September and 31 December; and

1.21. "Valid Claim" any claim contained in a subsisting granted Patent that has not been held invalid or unenforceable by a final decision of a court or other government agency of competent jurisdiction that is unappealable or has not been appealed within the time allowed for appeal and which has not been admitted to be invalid or unenforceable through reissue disclaimer or otherwise.

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2. Patents

2.1. On the Commencement Date, C-CHEM shall assign to Scynexis all right, title and interest in the Patents by executing an assignment of the Patents in the form set out in Schedule 3.

2.2. C-CHEM shall at the request of Scynexis promptly do all acts and execute all documents as may be necessary or desirable to vest in Scynexis all right, title and interest in the Patents and to record Scynexis as the proprietor of the Patents in any country.

2.3 C-CHEM shall at the request of Scynexis agree in good faith a fair, reasonable and appropriate apportionment of the consideration payable under this Agreement in respect of the assignment of each Patent.

2.4. C-CHEM will perform the assignment of the Patents, i.e. communicate with the corresponding patent attorneys and patent offices, collect the necessary documents and signatures and bear all arising internal costs, and Scynexis will bear all external costs, i.e. fees from external patent attorneys and patent offices.

2.5. C-CHEM shall not and shall procure that its Affiliates and Personnel shall not, challenge, oppose or otherwise dispute (or directly or indirectly assist any third party to challenge, oppose or otherwise dispute) the ownership, validity and/or scope of any of the Patents.

3. Know How and Documentation

3.1. With effect from the Commencement Date, C-CHEM assigns to Scynexis all right, title and interest in the Know How. Scynexis and its Personnel shall have the full unfettered and exclusive worldwide right to disclose and use the Know How for any purpose whatsoever.

3.2. Within 15 days of the Commencement Date, C-CHEM shall transfer and deliver to Scynexis in good order the Documentation.

3.3. With effect from the Commencement Date, all right, title and interest in the Documentation and the Ancillary Rights shall vest in Scynexis. C-CHEM shall at the request of Scynexis promptly do all acts and execute all documents as may be necessary or desirable to vest in Scynexis all right, title and interest in the Documentation and the Ancillary Rights.

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4. Non-Exclusive Licence Grant

In the event the development, making, having made, use, or sale of Products by Scynexis, its Affiliates or Licensees would infringe any other intellectual property which C-CHEM owns at the Commencement Date or has the rights to license (other than the Patents, Know How, Documentation and Ancillary Rights), C-CHEM hereby grants to Scynexis, a non-exclusive, world-wide, royalty-free, sub-licensable license under such other intellectual property solely for Scynexis, and its Affiliates and Licensees to develop, make, have made, use and sell Products.

5. Technology Transfer

5.1. C-CHEM shall respond promptly to reasonable enquiries made by Scynexis in respect of the Patents and the Know How provided that C-CHEM shall not be required to carry out any further research or experiment, in order to respond to any such enquiry.

5.2. C-CHEM shall procure that Personnel of C-CHEM and/or its Affiliates who have knowledge of the Patents and the Know How are available for telephone discussions, and meetings with Scynexis at the C-CHEM facilities, and facilitate to its best efforts meetings with the Inventors and with C-CHEM's patent counsel, as and when reasonably required by Scynexis.

5.3. C-CHEM shall as and when reasonably requested by Scynexis, provide copies of any documents or files in the possession or control of C-CHEM or its Affiliates that may reasonably assist Scynexis with its understanding of the Patents and the Know How provided that C-CHEM shall not be required to provide copies of any documents or files in breach of a duty of confidence owed to a third party.

6. Payments

6.1. In consideration of the assignment and transfer of the Patents, the Know How, the Documentation and the Ancillary Rights and subject to the provisions of this Clause 6, Scynexis shall pay to C-CHEM the following amounts, such amounts to be non refundable and non creditable against any subsequent payments due under this Agreement;

6.1.1. the sum of three hundred thousand United States dollars (US 300,000) within [*] after the Commencement Date; and

6.1.2. the following milestone payments which shall be paid within [*] after the date that the milestone is obtained:

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	Milestone	Milestone Payment
1.	[*]	Two hundred thousand United States dollars (US $200,000).
2.	[*]	[*] United States dollars (US $[*]).
3.	[*]	[*] United States dollars (US $[*]).

and

6.1.3. a royalty of [*] of the Net Sales Value of all Products as defined in 1.19 sold by Scynexis or any Affiliate of Scynexis that fall within the scope of one or more Valid Claims in the country in which the sale took place; and

6.1.4. a royalty of [*] of the Net Sales Value of all Products as defined in 1.19 sold by a Licensee that fall within the scope of one or more Valid Claims in the country in which the sale took place.

6.2. In no circumstances shall Scynexis be required to pay C-CHEM a royalty in respect of a Product under both Clauses 6.1.3 and 6.1.4.

6.3. If a compulsory license is granted to a third party with respect to a Product in any country with a royalty rate lower than the royalty rate provided in Clause 6.1.4 then:

6.3.1 the royalty rate to be paid to C-CHEM in respect of sales [*] in that country shall be [*]; and

6.3.2 the royalty rate in respect of sales of Products [*] in such country shall be [*].

6.4. If laws, rules or regulations require withholding of taxes imposed upon the payments set forth in this Agreement, [*] such withholding payments from the payments due to C-CHEM set forth in this Clause 6. C-CHEM shall execute any documentation reasonably necessary to allow Scynexis to reduce or eliminate any such withholding taxes.

6.5. No royalties shall be payable under the Agreement on the sale or transfer among Scynexis, its Affiliates or Licensees, but in such cases the royalty shall be due and calculated upon Scynexis' or its Affiliate's or Licensee's Net Sales Value to the first independent third party.

6.6. No royalties shall be payable under this Agreement on the disposition of Products by Scynexis, its Affiliates and Licensees as samples (promotional or otherwise) or as donations (for example, to non-profit institutions or government agencies for a non-commercial purpose).

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6.7. The royalties described in Clauses 6.1.3. and 6.1.4. shall be reduced if and to the extent Scynexis can demonstrate to C-CHEM that Scynexis or its Affiliates or Licensees or distributors have not been able to actually collect royalties despite having undertaken commercially reasonable enforcement activities.

6.8. In the event the Product is sold in a finished dosage form containing the Product in combination with one or more other active ingredients (a "Combination Product"), the Net Sales Value of the Product, for the purposes of determining royalty payments, shall be determined by multiplying the Net Sales Value (as defined above) of the Combination Product by the fraction, A/(A+B) where A is [*] in the particular country of the Product when sold separately in finished form and B is the [*] in that country of the other product(s) sold separately in finished form. In the event that such average sale price cannot be determined for both the Product and the other product(s) in combination, the Net Sales Value for purposes of determining royalty payments shall be agreed by the parties based on the relative value contributed by each component.

7. Payment Terms

7.1. Starting from when the first Product is put on the market for commercial sale in a country covered by a Patent then in force, within [*] of the end of each subsequent Quarter, Scynexis shall;

7.1.1. provide C-CHEM with a royalty statement for that Quarter setting out the royalties payable in respect of sales of Products made during that Quarter under Clause 6; and

7.1.2. pay the sums due to C-CHEM as set forth in such royalty statement.

7.2. All sums payable under this Agreement shall be paid in US Dollars by direct transfer to C-CHEM's bank account, details of which C-CHEM shall notify to Scynexis as and when necessary.

7.3. If Products are sold or supplied by Scynexis, its Affiliates and/or Licensees in a currency other than US Dollars, the royalties payable in respect of such sales under this Agreement shall be first determined in the currency of invoice and then converted into US Dollars at the average daily open market currency rate as quoted in the Wall Street Journal for the Quarter in which such sales took place.

7.4. If Scynexis fails to pay any sum due under this Agreement in full by the due date for payment then C-CHEM may, without prejudice to any other right or remedy available to C-CHEM, charge interest on any outstanding amount on a daily basis at a rate equivalent to the London Inter-Bank Offer Rate (6 months) [*].

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8. Records and Audits

8.1. Scynexis shall keep at its normal place of business records and books of account showing the quantity, description and value of all Products sold by Scynexis and its Affiliates in each country for a period of [*] after the sale took place.

8.2. Scynexis shall make its records and books of account available for inspection during normal business hours by an independent professional accountant appointed by C-CHEM for the purpose of verifying the accuracy of any royalty-statement provided by Scynexis to C-CHEM pursuant to Clause 7.1 in the previous [*] provided that the accountant enters into a binding confidentiality agreement with Scynexis in the form reasonably requested by Scynexis.

8.3. C-CHEM shall be entitled to have inspections carried out pursuant to Clause 8.2 [*] on giving Scynexis [*] written notice prior to each inspection.

8.4. C-CHEM shall bear the cost of carrying out the inspections referred to in Clause 8.3 unless there is a shortfall of more than [*] in any royalty statement provided by Scynexis, in which case Scynexis shall promptly pay to C-CHEM the accountants' reasonable fees for making the relevant inspection.

9. Representations and Warranties

9.1. Each party represents and warrants to the other that it has the legal right and power to enter into this Agreement and to fully perform its obligations hereunder.

9.2. C-CHEM represents and warrants to Scynexis that as of the Commencement Date:

9.2.1. the Patents set out in Schedule 1 exist and, to the best of C-CHEM's knowledge, are not invalid or unenforceable in whole or in part;

9.2.2. to the best of C-CHEM's knowledge, the Inventors have not assigned the Inventions or any rights relating thereto, to any employer, former employer or other entity, and have not entered into any obligation to assign the Inventions or any rights relating thereto, to any employer, former employer or other entity;

9.2.3. C-CHEM has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in the Patents, Inventions or the Know How, and C-CHEM has not granted any license, waiver, non-assertion undertakings, options or other rights relating to the Patents, the Inventions or the Know How nor is it under any obligation to do so;

9.2.4. C-CHEM is the sole and exclusive owner of the Patents, the Inventions and the Know How, all of which are free and clear of any liens, charges and encumbrances, and no other person, corporation or other private entity or governmental entity or subdivision thereof has, or to the best of C-CHEM's

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knowledge, will have any claim of ownership or any rights with respect to the Patents and the Know How;

9.2.5. to the best of C-CHEM's knowledge, the practice of the Inventions disclosed in the Patents and Know How does not interfere with or infringe any intellectual property rights owned or possessed by any third party [*];

9.2.6. there are no notices of infringement against C-CHEM, or claims, judgments or settlements against or owned by C-CHEM, or pending or threatened claims or litigation, relating to the Patents, Inventions or Know How;

9.2.7. to the best of C-CHEM's knowledge, there are presently no third parties which are infringing the Patents;

9.2.8. Schedule 1 lists all of the Patents in existence at the Commencement Date;

9.2.9. all payments due in respect of the prosecution, maintenance and renewal of the Patents have been paid in full;

9.2.10. C-CHEM does not have in its possession or control any compounds relating to Invention;

9.2.11. C-CHEM has disclosed to Scynexis all reasonably relevant information concerning the Patents and Know How;

9.2.12. C-CHEM does not own, or have a license or right to use, any intellectual property relating to cyclosporin or cyclosporin derivatives, other than the Patents and Know-How;

9.2.13. attached hereto as Schedule 4 is a true, valid and complete copy of a resolution of the Board of Directors of C-CHEM, signed by Dr. Daniel Zimmermann, the sole Director of C-CHEM, approving this Agreement and the transaction described herein;

9.2.14. attached hereto as Schedule 5 is a true, valid and complete copy of a Shareholder resolution of C-CHEM, signed by Dr. Daniel Zimmermann, the sole shareholder of C-CHEM, approving this Agreement and the transaction described herein;

9.2.15. attached hereto as Schedule 6 is a true and complete copy of an extract of the Companies' Register (Handelsregister) of C-CHEM setting forth the company details of C-CHEM;

9.2.16. the [*] in accordance with its terms [*] described therein, and that [*] does not now have, and will not have in the future, any assignment, license, waiver, non-assertion, option or other right relating to the Patents, the Inventions or the Know How:

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9.2.17. the [*], had the sole purpose to discuss possible collaborative strategies. No confidential information, documents or samples were [*]; and

9.2.18. C-CHEM has not granted, pursuant to the [*], or any other agreement, commitment or undertaking; any assignment, license, waiver, non-assertion, option or other right relating to the Patents, the Inventions or the Know How to bioLeads, nor is it under any obligation to do so in the future.

9.3. In respect of Clause 9.2 above, Scynexis confirms that [*].

9.4. The parties acknowledge that C-CHEM will be responsible for paying to the Inventors and any other third parties any compensation that the Inventors or such third parties shall be owed in connection with making, conceiving, or developing the Inventions, Patents, and Know-How and that Scynexis shall not have any responsibility therefor. Should the Inventors or any third party claim they are entitled to such compensation, Scynexis shall be entitled to pay over any compensation due to C-CHEM pursuant to Clause 6 hereof into an escrow account maintained at a reputable bank or law firm, pending resolution of such claims.

10. Limitation of Liability and Indemnity

10.1. Scynexis shall assume all risks associated with the research, development, manufacture, use and supply of the Compounds and/or Products by Scynexis and its Affiliates and Licensees and shall be responsible for all third party claims relating to such Compounds and/or Products including, but not limited to claims based on product liability laws. Scynexis shall fully indemnify, and at all times keep C-CHEM, its Affiliates and their Personnel fully indemnified, against any and all liability, damages, claims, proceedings and/or expenses (including legal expenses and expert's fees) arising out of or in connection with:-

10.1.1. any research, development, manufacture, use, distribution or supply of the Compounds and/or the Products by Scynexis or its Affiliates or Licensees; and/or

10.1.2. any possession or use by a third party of the Compounds and/or the Products manufactured and/or supplied by or on behalf of Scynexis, or its Affiliates or Licensees; and/or

10.1.3. a breach of any of the warranties and representations given by Scynexis, pursuant to Clause 9.1.

10.2. C-CHEM shall fully indemnify and at all times keep Scynexis, its Affiliates and their Personnel fully indemnified, against any and all liability, damages, claims, proceedings, expenses (including legal expenses and expert's fees) arising out of or in connection:

10.2.1. with a breach of any of the warranties and representations given by C-CHEM pursuant to Clauses 9.1 and 9.2 and/or

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10.2.2. with any claims of the Inventors or any other third parties for any compensation that the Inventors or such third parties claim they are owed in connection with making, conceiving, or developing the Inventions, Patents, and Know-How.

However, in no event shall [*] arising out of or in connection with this Agreement [*].

10.3. Where in this Agreement a party (the "Party Giving the Indemnity") gives an indemnity to the other party (the "Party Receiving the Indemnity"), such indemnity shall be subject to the following conditions:-

10.3.1. the Party Receiving the Indemnity shall notify the Party Giving the Indemnity of any claim or action covered by the relevant indemnity (a "Claim") within [*] of becoming aware of the Claim;

10.3.2. the Claim does not arise as a consequence of any breach of this Agreement by the Party Receiving the Indemnity and/or from any negligence or misconduct by the Party Receiving the Indemnity;

10.3.3. the Party Giving the Indemnity is given sole conduct of the defence and settlement of any Claim;

10.3.4. the Party Receiving the Indemnity does not at any time prejudice the defence of the Claim; and

10.3.5. the Party Receiving the Indemnity provides the Party Giving the Indemnity (at the cost of the Party Giving the Indemnity) with such assistance, documents, authority and information as the Party Giving the Indemnity may reasonably require in relation to the Claim and the defence or settlement of the Claim.

10.4. Neither party shall be liable for any punitive, special, consequential or indirect loss or damage arising out of this Agreement or any breach of it.

10.5. In addition to the indemnification remedy described above, in the event that Scynexis is determined by a court, government agency, arbitrator or other body to be liable for any payments to the Inventors or any third party for compensation in connection with the Inventions, Patents, and Know-How, Scynexis will be entitled to withhold a corresponding amount from any pending or future payments due to C-CHEM by Scynexis pursuant to Clause 6 hereof.

11. Infringements

11.1. C-CHEM shall promptly notify Scynexis with such details as it has in its possession of any infringements of the Patents as and when it becomes aware of such infringement.

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11.2. C-CHEM shall provide Scynexis with such assistance as Scynexis may reasonably request in connection with any proceedings against infringers of the Patents. Scynexis shall reimburse all C-CHEM's reasonable out-of-pocket expenses of providing such assistance, supported by the appropriate proof of payment.

12. Maintenance of the Patents

12.1. Subject to this Clause 12, Scynexis shall maintain the Patents in force until the end of their lifetime.

12.2. If Scynexis does not wish to continue to pay the renewal fees or other fees in respect of a Patent, then Scynexis shall promptly notify C-CHEM of this intention at least [*] before the corresponding action must be taken.

12.3. If C-CHEM notifies Scynexis that it wishes to acquire the Patent notified to C-CHEM pursuant to Clause 12.2 then Scynexis shall promptly assign to C-CHEM all of Scynexis' right, title and interest in the Patent and C-CHEM shall grant to Scynexis a non-exclusive licence (together with the right to grant sub-licences) under the Patent to research, develop, manufacture, import, market, use, sell and supply products and to perform any other act that would infringe the Patent were it not for this licence. This license shall be [*].

12.4. C-CHEM shall provide Scynexis with such assistance as Scynexis may reasonably request in connection with any proceedings where the validity of the Patents is at issue. Scynexis shall reimburse all of C-CHEM's reasonable out-of-pocket expenses of providing such assistance, supported by the appropriate proof of payment.

13. Exploitation

Scynexis shall undertake reasonable commercial efforts to develop and commercialise a Product having regard to the size and profitability of the potential market for the Product, the risks associated with the development of the Product and any adverse factors that may become apparent during the development of the Product.

14. Confidential Material

14.1. In this Agreement, "Confidential Material" owned by Scynexis shall, subject to Clause 14.3, mean the Know How and all Information disclosed by Scynexis or any of its Affiliates to C-CHEM or any of its Affiliates on or after the Commencement Date.

14.2. In this Agreement, "Confidential Material" owned by C-CHEM shall, subject to Clause 14.3, mean all Information disclosed by C-CHEM or any of its Affiliates to Scynexis or any of its Affiliates on or after the Commencement Date excluding the Know How.

14.3. In this Agreement, "Confidential Material" shall not include any information or materials which the Holding Party can prove:-

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14.3.1. is or becomes public knowledge through no improper conduct on the part of the Holding Party, its Affiliates and/or their respective Personnel;

14.3.2. is already lawfully possessed by the Holding Party and/or its Affiliates without any obligations of confidentiality or restrictions on use prior to the Holding Party first receiving it from the Owning Party provided that this exception shall not apply in the case of the Know How and/or

14.3.3. is obtained subsequently by the Holding Party and/or its Affiliates from a third party without any obligations of confidentiality and such third party is in lawful possession of such information or materials and not in violation of any contractual or legal obligation to maintain the confidentiality of such information or materials.

14.4. The Holding Party shall treat all Confidential Material owned by the other party as secret and confidential and shall not use, copy or disclose to any third party any Confidential Material owned by the other party except that:-

14.4.1. Scynexis may use and disclose Confidential Material owned by C-CHEM and/or its Affiliates as reasonably necessary to exploit the Patents and the Know How;

14.4.2. C-CHEM may use and disclose Confidential Material owned by Scynexis as reasonably necessary to enforce its rights under this Agreement provided that C-CHEM shall not disclose information concerning development and/or sales of the Products without the prior written consent of Scynexis.

14.4.3. the Holding Party may disclose Confidential Material owned by the other party to those of its officers and employees and Affiliates to whom such disclosure is reasonably necessary (and only disclose that part of the Confidential Material owned by the other party whose disclosure is reasonably necessary) provided that the Holding Party shall remain responsible for procuring that its officers and employees do not further disclose and/or use the Confidential Material owned by the other party for any other purpose; and/or

14.4.4. after giving written notice to the Owning Party, the Holding Party may disclose any part of the Confidential Material owned by the other party solely to the extent that it is legally required to do so pursuant to an order of a court of competent jurisdiction or governmental authority provided that the Holding Party shall use its best endeavours to limit such disclosure and to provide the Owning Party with an opportunity to make representations to the relevant court or governmental authority.

14.5. All documents, materials and other items (including items in electronic form), and any intellectual property rights therein, provided by the Owning Party to the Holding Party

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containing Confidential Material shall remain the absolute property of the Owning Party.

14.6. The Holding Party shall at all times maintain documents, materials and other items (including items in electronic form) containing Confidential Material owned by the other party and any copies thereof, in a secure fashion by taking reasonable measures to protect them from theft and unauthorised copying, disclosure and without prejudice to the foregoing shall exercise at least the same degree of care to prevent unauthorized disclosure and/or use of the Confidential Material owned by the other party as the Holding Party exercises in respect of its own confidential material of like importance.

14.7. The Holding Party shall notify the Owning Party immediately if the Holding Party becomes aware of any unauthorised use or disclosure of, or any unauthorised access to or of any theft or loss of any copies of any Confidential Material owned by the other party.

14.8. The provisions of this Clause 14 shall continue for [*] and shall, for the avoidance of doubt, survive termination or expiry of this Agreement.

15. Expiry and Termination

15.1. Unless terminated earlier in accordance with the provisions of Clause 15.2 or 15.3 or 15.4, this Agreement shall expire when no Valid Claims remain.

15.2. C-CHEM may terminate this Agreement forthwith by giving Scynexis immediate written notice of termination if an entry of a decree or order by a court of competent jurisdiction is made:-

15.2.1. appointing a custodian, receiver, liquidator, assignee or trustee of Scynexis; or

15.2.2. ordering the winding up or liquidation of the affairs of Scynexis.

15.3. The Agreement can be terminated by Scynexis alone in its sole discretion, at any time, by thirty (30) days written notice to C-CHEM.

15.4. In the event of any breach of any term or condition of this Agreement by either party, the non-breaching party shall give 60 (sixty) days written notice to the breaching party to correct such breach and the damages arisen therefrom, along with a written explanation regarding the breach and such damages and how they should be corrected. In the event the breach and the damages arisen are not corrected within the sixty-day period, the non-breaching party shall have the right to immediately terminate this Agreement by written notice of termination.

16. Consequences Of Expiry Or Termination

16.1. On expiry of this Agreement, Scynexis shall have a fully paid-up, royalty free, world-wide, exclusive licence, and the right to grant sub-licences, under the Know-How and Ancillary Rights to research, develop, manufacture, import, market, use, sell, and

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supply products and to perform any other act that would infringe the Know Flow and/or Ancillary Rights were it not for this licence.

16.2. On expiry or termination of this Agreement for any reason:-

16.2.1. Scynexis shall within [*] of the date of termination or expiry pay to C-CHEM all sums due to it under this Agreement in respect of the period up to and including the date of termination including any royalties payable on Products sold prior to or on the date of termination;

16.2.2. any rights or remedies of each of the parties arising from any breach of this Agreement shall continue to be enforceable;

16.2.3. the following provisions shall continue in full force and effect: Clause 1 (Definitions), Clause 4 (Non-Exclusive License Grant), Clause 6 (Payment) in respect of Royalties payable pursuant to Clause 16.2.1, Clause 14 (Confidential Material), Clause 16 (Consequences of Expiry or Termination) and Clause 17 (General).

16.3. On termination of this Agreement by C-CHEM pursuant to Clause 15.2 or 15.4, or by Scynexis pursuant to Clause 15.3, Scynexis shall promptly reassign the Patents, the Know How and the Ancillary Rights, and immediately return the Documentation to C¬CHEM and:

16.3.1. Scynexis shall, and shall procure that its Affiliates shall, forthwith cease all activities which would require a licence under the Patents save that Scynexis and its Affiliates shall be entitled to sell and dispose of any stock of Products or Compounds in existence on or prior to the date of termination of the Agreement; and

16.3.2. in the event that Scynexis has sublicensed the Patents to one or more Licensee(s), C-CHEM shall grant to each Licensee a licence on terms equivalent to the licence agreement between such Licensee and Scynexis, provided however that the terms of the license between such Licensee and C-CHEM are not less favourable to C-CHEM than the licence terms contained in the present Agreement.

17. General

Interpretation

17.1. In this Agreement:-

17.1.1. “including” means including without limitation; “include” and “includes” shall be construed accordingly.

17.1.2. the headings are for convenience only and shall not affect the interpretation of this Agreement.

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Notices

17.2. Any notice or other communication given under this Agreement shall be in writing in English and shall be:-

17.2.1. delivered by hand or by courier ; or

17.2.2. sent by pre-paid airmail; or

17.2.3. sent by fax (confirmed by pre-paid airmail placed in the post on or on the day after the date of transmission);

to the address or the fax number set out below or to such other address or fax number as may from time to time be notified to the other party in writing.

SCYNEXIS, Inc.
Attn: General Counsel
3501-C TriCenter Boulevard
Durham NC 27713
United States of America
Fax: 1 919 544 8697

C-CHEM AG
Attn: Dr. Daniel Zimmermann
Bundesplatz 12
CH-6300 Zug
Switzerland
Fax: 41 61 426 95 21

17.3. Any notice given under Clause 17.2 shall be deemed to have been received:-

17.3.1. on the date of delivery if delivered by hand or by courier prior to 5:00 pm on a business day, otherwise on the next business day following the date of delivery;

17.3.2. on the fourth business day from and including the day of posting in the case of pre-paid airmail; or

17.3.3. on the next business day following the day of transmission in the case of facsimile (confirmed by pre-paid first class post/airmail as provided above).

17.4. In Clause 17.3 business day shall mean a day that is not Saturday, Sunday and/or a public holiday in the country to which the notice is sent.

Severability

17.5. If any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable then the remaining provisions of this Agreement shall continue in full force and effect. The judicial or other competent authority making such determination shall have the power to limit, construe or reduce the duration, scope, activity and/or area of such provision, and/or delete specific words or phrases as necessary to render, such provision enforceable.

Waiver

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17.6. Failure or delay by either party to exercise any right or remedy under this Agreement shall not be deemed to be a waiver of that right or remedy, or prevent it from exercising that or any other right or remedy on that occasion or on any other occasion.

Entire Agreement

17.7. This Agreement and the Assignment constitute the entire agreement and understanding of the parties relating to the subject matter of this Agreement and supersede all prior oral or written agreements, representations, understandings or arrangements between the parties relating to the subject matter of this Agreement, including the Option Agreement.

17.8. No provision of this Agreement shall operate to:-

17.8.1. exclude any provision implied into this Agreement by law and which may not be excluded by law; or

17.8.2. limit or exclude any liability, right or remedy to a greater extent than is permissible under law including in relation to (1) death or personal injury caused by the negligence of a party to this Agreement or (2) fraudulent misrepresentation or deceit.

17.9. No change shall be made to this Agreement except in writing in the English language signed by the duly authorised representatives or directors of both parties.

Relationship of the Parties

17.10. Nothing in this Agreement shall create, evidence or imply any agency, partnership or joint venture between the parties.

17.11. Neither party shall act or describe itself as the agent of the other party nor shall either party have or represent that it has any authority to make commitments on behalf of the other.

Assignment

17.12. Neither party shall assign, delegate or transfer this Agreement, or assign, delegate, transfer, sub-contract or charge, any of its rights or obligations under hereunder, other than to an Affiliate or successor, without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, Scynexis may assign, delegate, transfer, sub-contract or charge this Agreement, or any of its rights or obligations relating thereto, in connection with the sale of all or substantially all of the assets to which this Agreement relates.

Publicity

17.13. C-CHEM shall not and shall procure that its respective Personnel and Affiliates shall not, make any announcement, or comment upon, or originate any publicity, or

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otherwise provide any information to any third party (other than its legal advisors and auditors) concerning this Agreement including the existence of this Agreement, the terms of this Agreement, the performance of this Agreement and/or any dispute or disagreement relating to this Agreement, without the prior written consent of the Scynexis.

Force Majeure

17.14. If the performance by a party of its obligations under this Agreement is prevented, restricted, delayed or interfered with by any circumstances beyond the reasonable control of that party, its licensees, contractors and subcontractors, then that party shall, upon giving prompt notice to the other party specifying the circumstances and obligations concerned, be excused from such performance to the extent of such prevention, restriction, delay or interference.

Law and Jurisdiction

17.15. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of North Carolina (excluding its choice of law rules) and the parties irrevocably accept the exclusive jurisdiction of the federal and state courts of the state of North Carolina in respect thereof.

AGREED by the parties through their duly authorised representatives on the date written at the top of the first page of this Agreement:-

For and on behalf of **C-CHEM AG**		For and on behalf of **SCYNEXIS, Inc.**	
Signed:	*/s/ Daniel Zimmermann*	Signed:	*/s/ Brian Schwab*
Full Name:	Daniel Zimmermann	Full Name:	Brian Schwab
Title:	Sole Board Member	Title:	Chief Licensing Officer and General Counsel

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Schedule 1

The Patents

[*]

[*] **[*]** **[*]** **[*]**

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Schedule 1

The Patents

[*]

[*] **[*]** **[*]** **[*]**

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Schedule 2

The Know How

[*]

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Schedule 3

Assignment of the Patents

Dated 10 June 2005

(1) C-CHEM AG

- and -

(2) SCYNEXIS, Inc.

Patent Assignment

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THIS ASSIGNMENT is made the 10th day of June 2005

BETWEEN:-

(1) **SCYNEXIS, Inc.** a corporation incorporated under the laws of Delaware having its principal place of business at 3501C Tricenter Boulevard, Durham, North Carolina, 27713, United States of America ("Scynexis"); and

(2) **C-CHEM AG** a company incorporated under the laws of Switzerland having its principal place of business at Bundesplatz 12, CH-6300 Zug, Switzerland ("C-CHEM").

BACKGROUND:-

(A) C-CHEM is the owner of the Patents set out in the Appendix (the "Patents").

(B) C-CHEM is willing to assign the Patents to Scynexis, and Scynexis wishes to receive the-assignment of the Patents, in accordance with the provisions of this Assignment.

THE PARTIES AGREE AS FOLLOWS:-

Assignment

1. C-CHEM hereby assigns to Scynexis irrevocably and absolutely with full title guarantee all right, title and interest in the Patents, including but not limited to:-

   1.1 the right in relation to infringements of the Patents and any patents resulting from the Patents, to recover and take all such proceedings as may be necessary for the recovery of damages or otherwise, including, without limitation, the right to recover damages for past infringements;

   1.2 the right to apply for and the right to be granted patent, or other protection anywhere in the world in respect of the inventions disclosed in the Patents;

   1.3 all rights to claim priority anywhere in the world on the basis of the Patents; and

   the right to apply for extensions, renewals and Supplementary Protection Certificates in respect of the Patents and any patents resulting from the Patents.

Further Assurances

2. C-CHEM shall free of charge, as and when requested by Scynexis, do all acts and execute all documents as may be reasonably necessary or desirable to give full effect to the provisions of this Assignment.

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Law

3. This Assignment shall be governed by the law of the State of North Carolina.

AGREED by the parties through their duly authorised representatives on the date written at the top of the first page of this Agreement:-

For and on behalf of **C-CHEM AG**		For and on behalf of **SCYNEXIS, Inc.**	
Signed:	*/s/ Daniel Zimmermann*	Signed:	*/s/ Brian Schwab*
Full Name:	Daniel Zimmermann	Full Name:	Brian Schwab
Title:	Sole Board Member	Title:	Chief Licensing Officer and General Counsel

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Appendix

The Patents

[*]

[*] **[*]** **[*]** **[*]**

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[*] **[*]** **[*]** **[*]**

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Schedule 4

C-CHEM AG Board of Directors Resolution

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Beschluss des Verwaltungsrats
der
C-Chem AG
Bundesplatz 12, 6300 Zug

I. Traktanden:

Verkauf und Uebertragung aller Patente der C-Chem AG (der „Verkauf") gemaess dem Entwurf des "Agreement for the Assignment of Patents and Know How concerning Cyclosporin Derivatives" zwischen C-Chem AG and Scynexis, Inc. P.O. Box 12878, Research Triangle Park, NC 27709-2878, USA, (der „Kaufvertrag")

Dem Verwaltungsrat liegt der Entwurf des Kaufvertrages vor.

Die ausserordentliche Generalversammlung der C-Chem AG vom 26. Mai 2005 hat den Kaufvertrag genehmigt und den Verwaltungsrat mit der Durchführung des Verkaufs beauftragt.

Beantragt ist ein Beschluss des Verwaltungsrates der C-Chem AG, wonach der Verkauf und der Kaufvertrag zu genehmigen ist und Dr. Daniel Zimmermann mit der Durchführung des Verkaufs und der Unterzeichnung des Kaufvertrags betraut wird.

II. Beschluss

Der Verwaltungsrat genehmigt den Verkauf und den Kaufvertrag und ermaechtigt Dr. Daniel Zimmermann mit der Durchführung des Verkaufs und der Unterzeichnung des Kaufvertrags der massgeblich dem beiliegenden Entwurf entspricht.

26. Mai 2005

/s/ D. Zimmermann
Dr. Daniel Zimmermann
Einziges Mitglied des Verwaltungsrates
(Sole Member of the Board of Directors)

Resolution of Board of Directors
of
C-Chem AG
Bundesplatz 12, 6300 Zug

I. Agenda

Sale and assignment of all patents of C-Chem AG (the "Sale") pursuant to the draft of the Agreement for the Assignment of Patents and Know How concerning Cyclosporin Derivatives between C-Chem AG and Scynexis, Inc. P.O. Box 12878, Research Triangle Park, NC 27709-2878, USA, (the "Sales Agreement")

The Board of Directors has been presented with the draft of the Sales Agreement

The extraordinary general assembly of the shareholders of C-Chem AG of 26th May 2005 has approved the Sales Agreement, and has authorized the Board of Directors to execute the Sales transaction.

Motion for a resolution by the Board of Directors of C-Chem AG that approves the sale and Sales Agreement, and that authorizes Dr. Daniel Zimmermann to consummate the Sale and sign the Sales Agreement.

II. Resolution

The Board of Directors approves the Sale and the Sales Agreement, and that authorizes Dr. Daniel Zimmermann to consummate the Sale and sign the Sales Agreement that corresponds to the attached draft in all material respects.

Beilage (Attachment): Entwurf Kaufvertrag Scynexis, Inc. (Draft of Sales Agreement Scynexis, Inc.)

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Schedule 5

C-CHEM AG Shareholder Resolution

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NOTARIELLES PROTOKOLL
der
ausserordentlichen Generalversammlung
der
C-Chem AG
Bundesplatz 12, 6300 Zug
vom 26. Mai 2005
in Basel, Picassoplatz 8

Heute habe ich, Andreas Miescher, öffentlicher Notar des Kantons Basel-Stadt, an der ausseror-dentlichen Generalversammlung der C-Chem AG, in Zug, abgehalten in meinem Büro, teilgenommen, und das nachfolgende Protokoll in öffentlicher Urkunde aufgenommen:

Anwesend:
Dr. Daniel Zimmermann (VR-Mitglied)

Dr. Daniel Zimmermann eröffnet die Versammlung und übernimmt den Vorsitz. Der instrumentierende Notar wird mit der Führung des Protokolls betraut. Dr. Zimmermann stellt fest und der instrumentierende Notar bestaetigt, dass sämtliche Aktien der Gesellschaft wie folgt anwesend sind:

MINUTES
of
extraordinary general assembly of shareholders
of
C-Chem AG
Bundesplatz 12, 63 00 Zug
of 26 May 2005
in Basel, Picassoplatz 8

Today I, Andreas Miescher, Notary Public of the Canton of Basel-Stadt, have been present at the extraordinary general assembly of Chem, in Zug, which took place in my office and kept the following minutes in a notarial act:

Present:
Dr. Daniel Zimmermann (Member of Board of Directors)

Dr. Daniel Zimmermann opens the general assembly and acts as chairperson. The undersigned Notary is charged with keeping the minutes. Dr. Zimmermann determines and the undersigned Notary confirms that all shares of the company are present as follows:

Aktionär (Shareholder)	**Art (Class of shares)**	**Anzahl Aktien (Number of Shares)**	**in %**
Dr. Daniel Zimmermann als Aktionär / as shareholder	Inhaberaktien (Common bearer shares)	50	50%
Dr. Daniel Zimmermann als Aktionär / as shareholder	Inhaber-Vorzugsaktien (Preferred bearer shares)	50	50%
	Total	100	100%

Der Vorsitzende stellt entsprechend fest, dass sämtliche Aktionäre der C-Chem AG anwesend oder vertreten sind und die Versammlung damit als Universalversammlung gemäss Artikel 701 OR beschlussfähig ist.

Da gegen die den Anwesenden bekannte Traktandenliste sowie gegen die obigen Feststellungen keine Einwendungen erhoben werden, werden die folgenden Traktanden behandelt:

Verkauf und Uebertragung aller Patente der C-Chem AG (der „Verkauf") gemaess dem Entwurf des "Agreement for the Assignment of Patents and Know How concerning

The chairperson accordingly determines that all shareholders of C-Chem AG are present or represented, and that the assembly is able to make valid resolutions as a "Universal Assembly" pursuant to Article 701 of the Code of Obligations.

Since no objections are raised against the agenda known to all present and against the above determinations, the following agenda items will be discussed:

Sale and assignment of all patents of C-Chem AG (the "Sale") pursuant to the draft of the Agreement for the Assignment of Patents and Know How concerning

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Cyclosporin Derivatives" zwisehen C-Chem AG and Scynexis, Inc. P.O. Box 12878, Research Triangle Park, NC 27709-2878, USA, (der „Kaufvertrag")

Cyclosporin Derivatives between C-Chem AG and Scynexis, Inc. P.O. Box 12878, Research Triangle Park, NC 27709-2878, USA, (the "Sales Agreement")

Die Versammlung nimmt Kenntnis vom Entwurf des Kaufvertrages, der vorgelegt wird und vom Antrag des Verwaltungsrates, den Verkauf und den Kaufvertrag zu genehmigen und den Verwaltungsrat mit der Durchführung des Geschäftes zu betrauen.

The assembly takes note of the draft of the Sales Agreement which is being presented and of the motion of the Board of Directors to approve the Sale and the Sales Agreement, and to authorize the Board of Directors with the execution of the Sale transaction.

Die Versammlung genehmigt einstimmig den Verkauf und den Abschluss des Kaufvertrages,der massgeblich dem beiliegendenEntwurf entspricht, und betraut den Verwaltungsrat mit der Durchführung des Geschäfts.

The Assembly approves unanimously the Sale and the Sales Agreement that corresponds to the attached draft in all material respects, and authorizes the Board of Directors to consummate the Sale transaction.

Diverses

Various

Keine weiteren Geschäfte.

No other business.

Nach Bchandlung sämtlicher Traktanden schliesst der Vorsitzende die Versammlung. Er bestätigt, __ss während der ganzen Dauer sämtliche Aktien v__treten waren und dass kein Widerspruch gegen di__ Durchführung dieser Versammlung erhoben wu__e.

After discussion of and resolution on all agenda items, the chairperson closes the assembly. He confirms that during the entire duration of the assembly, all shares have been represented, and that no objection was raised against the holding of the assembly.

Urku__dlich dessen wurde dieses notarielle Protokoll nach Lesung und Genehmigung vom Vorsit__den. und von mir, dem Notar, unter Beisetzung meines amtlichen. Siegels hiemach unterzeich__t. **In Witness whereof** these Notarial Minutes have been, after lecture and approval, signed by the Chairperson and by me, the notary public, who affixed the official seal.

Basel, den 26 (sechsundzwanzigsten) Mai 2005 (zweitausendundfünf)/Basel, this 26th (twenty-sixth) day of May 2005 (two thousand and five)

Der Vorsitzende (Chairperson)

/s/ D. Zimmermann
Dr. Daniel Zimmermann
Einziges Mitglied des Verwaltungs
(Sole Member of the Board of Directors)

Für das Protokoll (for the Minutes):

/s/ Andreas Miescher
Andreas Miescher, Notar

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Schedule 6

C-CHEM AG Extract from Companies Register

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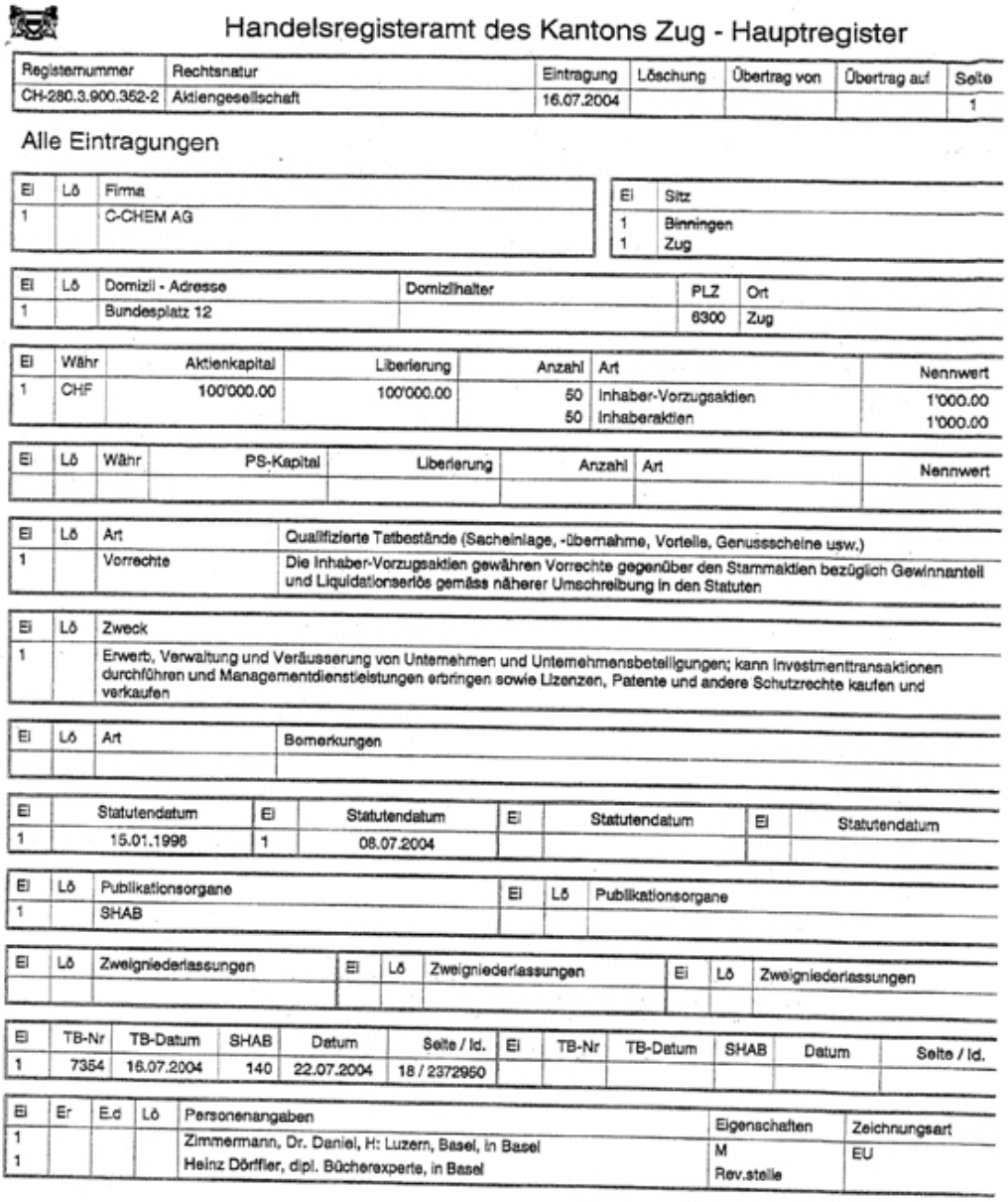

Handelsregisteramt des Kantons Zug - Hauptregister

Registernummer	Rechtsnatur	Eintragung	Löschung	Übertrag von	Übertrag auf	Seite
CH-280.3.900.352-2	Aktiengesellschaft	16.07.2004				1

Alle Eintragungen

EI	Lö	Firma
1		C-CHEM AG

EI	Sitz
1	Binningen
1	Zug

EI	Lö	Domizil - Adresse	Domizilhalter	PLZ	Ort
1		Bundesplatz 12		6300	Zug

EI	Währ	Aktienkapital	Liberierung	Anzahl	Art	Nennwert
1	CHF	100'000.00	100'000.00	50	Inhaber-Vorzugsaktien	1'000.00
				50	Inhaberaktien	1'000.00

EI	Lö	Währ	PS-Kapital	Liberierung	Anzahl	Art	Nennwert

EI	Lö	Art	Qualifizierte Tatbestände (Sacheinlage, -übernahme, Vorteile, Genussscheine usw.)
1		Vorrechte	Die Inhaber-Vorzugsaktien gewähren Vorrechte gegenüber den Stammaktien bezüglich Gewinnanteil und Liquidationserlös gemäss näherer Umschreibung in den Statuten

EI	Lö	Zweck
1		Erwerb, Verwaltung und Veräusserung von Unternehmen und Unternehmensbeteiligungen; kann Investmenttransaktionen durchführen und Managementdienstleistungen erbringen sowie Lizenzen, Patente und andere Schutzrechte kaufen und verkaufen

EI	Lö	Art	Bemerkungen

EI	Statutendatum	EI	Statutendatum	EI	Statutendatum	EI	Statutendatum
1	15.01.1998	1	08.07.2004				

EI	Lö	Publikationsorgane	EI	Lö	Publikationsorgane
1		SHAB			

EI	Lö	Zweigniederlassungen	EI	Lö	Zweigniederlassungen	EI	Lö	Zweigniederlassungen

EI	TB-Nr	TB-Datum	SHAB	Datum	Seite / Id.	EI	TB-Nr	TB-Datum	SHAB	Datum	Seite / Id.
1	7354	16.07.2004	140	22.07.2004	18 / 2372950						

EI	Er	E.d	Lö	Personenangaben	Eigenschaften	Zeichnungsart
1				Zimmermann, Dr. Daniel, H: Luzern, Basel, in Basel	M	EU
1				Heinz Dörffler, dipl. Bücherexperte, in Basel	Rev.stelle	

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Handelsregisteramt des Kantons Zug - Hauptregister

Registernummer	Firma	Sitz	Seite
CH-280.3.900.352-2	C-CHEM AG	Zug	2

Alle Eintragungen

Legende

*	Funktionen des statutarischen Exekutivorgans	Del *	Delegierte(r)
AaKonk	Ausseramtl. Konkursverwaltung	EEP	Erweiterte Einzelprokura nach OR 459 II
baHS	beschränkt auf den Hauptsitz	EKP2	Erweiterte Kollektivprokura zu 2 nach OR 459 II
Beistand	Beistand	EP	Einzelprokura
D	Direktor(in)	EU	Einzelunterschrift
GD	Generaldirektor(in)	GF	Geschäftsführer(in)
K *	Kassier(in)	KP2	Kollektivprokura zu zweien
KU2	Kollektivunterschrift zu zweien	Liq	Liquidator(in)
M *	Mitglied	MD	Mitglied der Direktion
MGL	Mitglied der Geschäftsleitung	oZB	ohne Zeichnungsberechtigung
P *	Präsident(in)	Prok	Prokurist(in)
Rev.stelle	Revisionsstelle	Sachwalter	Sachwalter(in)
Sek *	Sekretär(in)	SekNM	Sekretär(in) Nichtmitglied
Spez.Rev.	Revisionsstelle mit begrenztem Mandat	StvD	Stellvertretende(r) Direktor(in)
StvGD	Stellvertretende(r) Generaldirektor(in)	Sup *	Suppleant(in)
VD	Vizedirektor(in)	VoD	Vorsitzende(r) der Direktion
VoGL	Vorsitzende(r) der Geschäftsleitung	VP *	Vize-Präsident(in)
ZB	Zeichnungsberechtigte(r)		

Zug 10.06.2005 17:02:05 / ALMO /
Firmen-Identifikation: 168998

Dieser Auszug aus dem kantonalen Handelsregister hat ohne die nebenstehende Originalbeglaubigung keine Gültigkeit. Er enthält alle gegenwärtig für diese Firma gültigen Eintragungen, sowie alle seit der Führung des Hauptregisters mittels EDV (1995) gültigen und heute gestrichenen Eintragungen. Auf besonderes Verlangen kann auch ein Auszug erstellt werden, der lediglich alle gegenwärtig gültigen Eintragungen enthält.

BEGLAUBIGTER AUSZUG

Zug, 10. JUNI 2005

HANDELSREGISTERAMT ZUG

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RESEARCH SERVICES AGREEMENT

This Research Services Agreement (this "Agreement") is dated as of December 19, 2011 (the "Effective Date"), and is by and between **MERIAL Limited**, a company limited by shares registered in England and Wales (registered number 3332751) with a registered office at P.O. Box 327, Sandringham House, Sandringham Avenue, Harlow Business Park, Harlow, Essex CM19 5QA, England, and domesticated in Delaware, USA as MERIAL LLC, and having a place of business at 3239 Satellite Boulevard, Bldg. 500, Duluth, Georgia 30096 USA, on behalf of itself and any of its subsidiaries and/or Affiliates (hereinafter, "MERIAL"), and **SCYNEXIS, Inc**., a Delaware corporation having a place of business at 3501 C Tricenter Boulevard, Durham, NC 27713 (hereinafter, "SCYNEXIS").

RECITALS

WHEREAS, it is hereby contemplated that SCYNEXIS shall provide certain research services to MERIAL; and

WHEREAS, SCYNEXIS intends to provide such research services to MERIAL.

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the parties hereto hereby agree as follows:

1. Definitions.

"**Affiliate**" shall mean any existing or future company directly or indirectly controlling, controlled by or under common control with a Party, where control means the direct or indirect ownership of at least fifty percent (50 %) of the capital stock of the company or the power to exercise at least fifty percent (50 %) of the voting rights of the company, or the power to determine the policy of the company, provided such company agrees to be bound by the terms of this Agreement.

"**Agreement Intellectual Property**" shall mean Intellectual Property related to or resulting from SCYNEXIS's performance pursuant to this Agreement, including the Compounds.

"[*]" shall mean any [*], or [*] that [*] and/or [*], including but not limited to, [*].

"**Change of Control**" shall mean the acquisition by any natural person or business entity, other than MERIAL, Sanofi, or one of their Affiliates, directly or indirectly, of shares representing in the aggregate more than [*] percent of the aggregate voting power represented by the issued and outstanding capital stock of SCYNEXIS; or a merger, consolidation or reorganization involving SCYNEXIS (other than with MERIAL, Sanofi, or one of their Affiliates); or the sale or disposition of all or substantially all of the assets of SCYNEXIS to any person (other than to MERIAL, Sanofi, or one of their Affiliates).

"**Compound**" shall mean any chemical compound that has been screened, tested or synthesized by SCYNEXIS under this Agreement and: (1) whose structure is [*], (2) the property(-ies) or activity(-ies) of which [*], or (3) that is [*] or [*] but is not [*] or [*].

"**Compound Family**" shall mean the compounds that are [*] a Compound.

"**Confidential Information**" shall mean all proprietary or confidential information, knowledge, property, or data of the disclosing party or its Affiliates that does not otherwise qualify as a Trade Secret, including, but not limited to, the procedures, techniques, and business strategies of the disclosing party or its Affiliates or clients, lists or names of clients, customers or partners of the disclosing party or its Affiliates, lists or names of employees of the disclosing party or its Affiliates, or any other confidential or proprietary information of the disclosing party or its Affiliates that does not otherwise qualify as a Trade Secret.

"**FTE**" shall mean one person who is a SCYNEXIS employee and is engaged on a full-time basis (*i.e*., at least 40 hours per week) on the Services Team. For the sake of clarity, a FTE is one named person and is not a "full-time equivalent" of 40 hours of work provided by more than one SCYNEXIS employee.

"**Information**" shall mean both Confidential Information and Trade Secrets.

"**Intellectual Property**" shall mean any form of intellectual property including, without limitation, all written materials and other works which may be subject to copyright, trade secrets, all patentable and unpatentable inventions, ideas, know-how, improvements, concepts, discoveries, know-how, research materials, technical information, test data, product efficacy and safety data, existing or pending Patents, and trademarks.

"**Losses**" shall mean any liability, damage, loss, penalties, fines, claims, costs or expense (including reasonable attorney fees).

"**Materials**" shall mean any materials or compounds provided by MERIAL to SCYNEXIS or created or prepared by SCYNEXIS for use in the Scope of Services and shall include progeny, portions and derivatives of such Material and any associated know-how and data provided by MERIAL or created during the provision of the Services.

"**Patents**" shall mean patent applications and granted patents including but not limited to divisions, reissues, re-examinations, continuations, continuations in part, renewals, extensions, utility models and supplementary protection certificates.

"**RSC**" **(Research Steering Committee)** shall have the meaning given in Section 3.

"**Screening**" shall mean the determination of any property of a chemical compound, including, but not limited to, physical, biological or phenotypic properties.

"**Services**" shall have the meaning set forth in Section 2 below.

"**Services Team**" shall mean the SCYNEXIS employees identified in Exhibit XXX.

"**Term**" shall mean the three (3) year period beginning on January 1, 2012 and ending on December 31, 2014.

"**Trade Secrets**" shall include, except as otherwise provided by applicable law, any information of the disclosing party or its Affiliates, without regard to form, including, but not limited to, technical or non-technical data, formulae, patterns, compilations, programs, devices, methods, techniques, drawings, processes, financial data, financial plans, product plans, or lists of actual or potential customers or suppliers which is generally not known by or available to the public and which information: (i) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use and (ii) is the subject of efforts by the disclosing party that are reasonable under the circumstances to maintain its secrecy.

2. Scope of Work.

2.1. SCYNEXIS will perform the research services for MERIAL as described in Exhibit 1 attached hereto ("Services") at the staffing levels (in terms of the qualifications, background and respective time commitments for each project member ("Project Team")) set forth therein. MERIAL reserves the right to modify the scope and/or type of Services, the target organisms, and the staffing levels (including the ratio of biologist to chemist) of the Project Team upon [*] notice. If any such change will result in an increase in the Fees, SCYNEXIS will notify MERIAL promptly, and MERIAL must approve any increase prior to SCYNEXIS implementing the change. For the avoidance of doubt, any such modification shall not decrease the amount of the compensation payable to SCYNEXIS pursuant to Section 5 below. MERIAL also reserves the right to stop research into a particular Compound or series of Compounds.

2.2. MERIAL shall be responsible for managing, engaging and paying for third parties used to provide complimentary services to the Services provided by SCYNEXIS. SCYNEXIS shall use its best efforts to coordinate such complimentary services with the Services, including, but not limited to, reviewing and developing with Merial the scope of work desired to be performed by third parties, sending and receiving compounds, transferring data, experimental procedures, and protocols to third parties, receiving and analyzing data from third parties, and participating in meetings (in person and telephonic) with such third parties, as reasonably requested by MERIAL, provided that SCYNEXIS' corresponding out of pocket travel expenses preapproved in writing by MERIAL shall be reimbursed by MERIAL.

3 Research Steering Committee

3.1. The Parties hereby establish a committee ("Research Steering Committee" or "RSC") comprised of four (4) permanent members, with two (2) representatives appointed by each Party. A Party may designate or change one or more of its representatives on the RSC at any time upon written notice to the other Parties. The RSC may invite additional guests to specific RSC meetings, on an "as needed", by invitation basis, provided that all such guests will be required to enter into corresponding confidentiality agreements. The patent attorney with primary responsibility for Patent filings on Compounds also may attend the RSC meetings as a nonvoting member.

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3.2 The Research Steering Committee shall:

(i) discuss chemical structures to be investigated (synthesized or acquired) for screening;

(ii) review results of Services; and

(iii) review the portfolio of Compounds and determine priorities for the up-coming three months.

3.3 The RSC shall meet at least [*] a year in person at either SCYNEXIS or MERIAL facilities or by video conference or telephone. Each party shall bear its own expenses associated with these meetings. To constitute a quorum at least two representatives for each Party must attend. If a designated representative of a Party cannot attend any meeting of the RSC, such Party may designate a different representative for that meeting upon giving prior notice to the other Party. This substitute representative shall have the same rights as the Party's appointed member to the RSC. The Parties shall coordinate and cooperate with each in good faith in managing the Services and use good faith to reach mutually agreeable decisions. Any disagreements between the Parties shall be equitably reduced by good faith negotiations between MERIAL and SCYNEXIS. In the event the members of the RSC cannot reach agreement, [*]. Minutes of the RSC meetings shall be [*].

4. Material.

4.1 SCYNEXIS shall use the Materials solely for the purpose set forth in this Agreement and for no other purpose. SCYNEXIS may not transfer the Material to third parties without the express written consent of MERIAL. The transfer of the Material to SCYNEXIS shall not be construed as a sale of the Material by MERIAL to SCYNEXIS.

4.2 SCYNEXIS shall use the Material in compliance with all applicable statutes, regulations, and guidelines.

4.3 Nothing in this Agreement grants SCYNEXIS any rights under any patents, patent applications, or other property rights of MERIAL, nor any rights to use any tools, techniques, or material derived from, or associated with the Material, for additional research, profit-making, commercial activities, or any other purpose not identified hereunder. ALL MATERIALS ARE SUPPLIED AS IS, WITHOUT ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. The Material supplied hereunder by MERIAL to SCYNEXIS shall remain the property of MERIAL, and SCYNEXIS shall, at MERIAL's option, dispose of any unused Material and its derivatives or return it to MERIAL.

4.4 SCYNEXIS further represents that it has adequate systems, procedures and personnel to review and oversee arrangements for the receipt, handling, storage, use and disposal of the Material and that it will ensure that all persons involved in receiving, handling, storing, using or disposing of the Material are adequately qualified by training and experience to do so safely and legally.

5. Compensation.

MERIAL will pay SCYNEXIS the amount specified in Exhibit 2 attached hereto according to the terms therein. These fees shall remain fixed for the Term of the Agreement and may not be decreased. Any changes made to the scope of the Services or the composition of the Project Team which increase these Fees must be approved in advance in writing by MERIAL and SCYNEXIS.

6. Laboratory Visits and Inspections.

6.1 MERIAL's representatives shall have the option to visit SCYNEXIS's laboratory during regular business hours to observe the progress of the Services, discuss the Services, and to review the scientific records relating to the Services. SCYNEXIS shall assist MERIAL in scheduling such visits. All such visits shall be scheduled upon reasonable notice by MERIAL.

6.2 SCYNEXIS agrees to provide MERIAL with prompt, and advance, if possible, notice of any GLP, GCP or GMP inspection by a regulatory agency of SCYNEXIS where such inspection either directly or indirectly relates to the Services provided under this Agreement. For purposes of this provision, "prompt" shall mean as soon as practicable, but in no case more than [*] from receipt of the notice by SCYNEXIS.

6.3 SCYNEXIS agrees that MERIAL shall have the right, from time to time, upon written notice to SCYNEXIS, to conduct an investigation and audit of SCYNEXIS's books, records and accounts to verify compliance with this Agreement. SCYNEXIS agrees to cooperate fully with such investigation, the scope, method, nature and duration of which shall be at the sole reasonable discretion of MERIAL.

7. Work Product.

All reports will be prepared in English and in SCYNEXIS's standard format unless otherwise specified in the Scope of Services. SCYNEXIS will provide the data management system to store and manage all screening data (HEOS). MERIAL will have title to, and be responsible for, archival of all raw data, documentation, records, protocols, specimens and final reports generated as a result of this Agreement, except for SCYNEXIS's procedural manuals, development processes, facility-specific data, personnel data, and SCYNEXIS-developed know-how, technology and software for which title and archival responsibilities shall remain with SCYNEXIS. If at any time MERIAL requests that data from the Services be transferred to MERIAL data management systems, SCYNEXIS will use all reasonable efforts to effectuate this transfer at no additional cost to MERIAL.

8. Manner of Performance.

8.1 Except as authorized in this Section 8.1, for the term of the Agreement, SCYNEXIS shall [*] under this Agreement and [*] and [*] in this Agreement [*] for providing the Services. [*] shall include, but not be limited to, [*], and [*] and [*]. For the sake of clarity, barring any change arising from [*] or [*], [*] will [*] and shall [*] during the Term of the Agreement. In the event [*] is [*] but is not [*] or in the event [*] changes over the Term, as agreed in a writing signed by both Parties, and as a result of those changes [*] no

longer [*], [*] would not be or would no longer be (as the case may be) subject to [*] set forth herein (but would continue to be subject to [*] set forth in in this Agreement to the extent [*]). SCYNEXIS shall set-up and enforce appropriate confidentiality measures and firewalls respecting its activities under this Agreement to ensure that they are kept separate from the other activities of SCYNEXIS. Such steps shall include, without limitation, written secrecy obligations with terms no less restrictive than obligations set forth herein for all employees, contractors and contributors under this Agreement, regardless of whether such individuals are third parties or employees of SCYNEXIS. SCYNEXIS shall also establish a security system for the facilities used to perform the Services which restricts access to those facilities to only those SCYNEXIS employees who (1) are providing the Services and have been approved by MERIAL in writing or (2) maintain the facilities or equipment. Such system must be capable of recording the names and times of every person who enters and exits the facilities. SCYNEXIS must retain the records from the security system for the duration of the Term and for [*] thereafter. For the avoidance of doubt, [*] set forth in this Agreement are not intended to, and do not, modify or amend any of SCYNEXIS's obligations under the Collaboration Agreement, dated July 15, 2005, which by the terms of such Collaboration Agreement, survive termination of that agreement.

8.2 SCYNEXIS will not make available, use for any purpose other than rendering the Services, or disclose Information, Materials, Agreement Intellectual Property, or Compounds or their chemical structures to any third party (other than subcontractors pre-approved by MERIAL and only to the extent MERIAL permits in writing).

8.3 SCYNEXIS represents that it, and each of its employees, and any third party engaged by SCYNEXIS, who perform, directly or indirectly, the Services, has the requisite expertise, ability and legal right to render the Services and that it can and will perform the Services in an efficient manner in accordance with prevailing industry standards and practices for the performance of similar services and with the Scope of Services.

8.4 SCYNEXIS will abide by all federal, state, and local laws, rules and regulations that apply to the performance of the Services, including the requirements of the U.S. Foreign Corrupt Practices Act ("FCPA") and any other applicable anti-corruption national or international laws and regulations, as well as the policies of MERIAL.

8.5 SCYNEXIS makes no representation or warranty that the Services will not violate or infringe upon any presently issued United States patent, copyright, trade secret or other contractual, employment or confidentiality right of a third party.

8.6 SCYNEXIS and MERIAL agree that all transactions will be accurately reflected in their books and records, and that no funds or other assets will be paid directly or indirectly to government officials (or persons acting on their behalf) for the purpose of influencing government decisions or actions. No payments or transfer of value shall be made which have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion,

kickbacks or other unlawful or improper means of obtaining or retaining business.

8.7 SCYNEXIS agrees to maintain anti-bribery policies and procedures as are appropriate for its business.

8.8 SCYNEXIS also hereby represents and warrants to MERIAL that no ownership interest, direct or indirect, in the contractual relationship established by this Agreement, is held or controlled by or for the benefit of any foreign political party or foreign official.

8.9 SCYNEXIS agrees that should it learn or have reason to know of: (i) any payment, offer, or agreement to make a payment to a foreign government official or political party for the purpose of obtaining retaining business or securing any improper advantage for MERIAL under this Agreement or otherwise, or (ii) any other development during the term of this Agreement that in any way makes inaccurate or incomplete the representations, warranties and certifications of SCYNEXIS hereunder given or made as of the date hereof or at any time during the term of this Agreement related to MERIAL ethics, anti-bribery policy, and related policies and procedures, SCYNEXIS will immediately advise MERIAL in writing of such knowledge or suspicion and the entire basis known to SCYNEXIS therefore.

8.10 In the event that MERIAL believes, in good faith, that SCYNEXIS has acted in any way that may subject MERIAL to liability under anti-corruption laws, MERIAL shall have the unilateral right, exercisable immediately upon written notice to SCYNEXIS, to terminate this Agreement.

8.11 No employee of MERIAL will have authority to give any direction, written or oral, relating to the making of any commitment by SCYNEXIS or its agents to any third party in violation of the terms of this Section 8.

9. Equal Opportunity Employer.

Each party affirms that it is an equal opportunity employer and shall comply with all applicable federal, state and local laws and regulations. Neither party shall discriminate because of race, color, religion, sex, age, national origin, disability, or status as a veteran, or any other reason as defined and prohibited by applicable law, in the recruitment, selection, training, utilization, promotion, termination or other employment-related activities concerning the Services employees. As a condition of this Agreement, SCYNEXIS agrees to maintain a working environment free from all forms of harassment, including race, color, religion, sex, age, national origin, disability, or status as a veteran, or any other reason as defined and prohibited by applicable law.

10. Term and Termination.

10.1 The Agreement shall commence on January 1, 2012, and shall remain in full force and effect (unless otherwise terminated) during the Term.

10.2 Either Party may terminate this Agreement in the event of breach of material obligation by the other party if such breach remains uncured after [*] written notice from the non-breaching party to the breaching party.

10.3 Either party may terminate this Agreement immediately by written notice if the other party makes an assignment for the benefit of creditors, becomes subject to a bankruptcy proceeding, is subject to the appointment of a receiver, or admits in writing its inability to pay its debts as they become due.

10.4 If SCYNEXIS experiences a Change of Control in which [*], by no later than [*] thereafter, SCYNEXIS shall either: (i) [*] that is [*] and [*] and [*]; (ii) [*] (e.g., [*]) [*]; or (iii) where [*] that [*] as a result of the Change of Control, [*] disregard the Change of Control and to continue this Agreement as if the Change of Control had not occurred. [*] any scenario described in clause (i), (ii) or (iii). If [*] by the end of the [*], [*]. For the avoidance of doubt, SCYNEXIS hereby confirms that during the [*] period referred to above, it will fully respect its commitments pursuant to this Agreement, including those relating to the use and disclosure of confidential information. For the sake of clarity, under no circumstance [*] in any manner [*] at any time.

10.5 At termination or expiration of the Agreement for any reason, upon MERIAL's written request, SCYNEXIS will transfer to MERIAL all Agreement Intellectual Property, including all samples of the Compounds, and all documents or data related to, or generated in the course of performing, the Services, including but not limited to data stored in HEOS, reports, files, presentations, protocols, specimens, records, parasites, and any other work product.

10.6 The following provisions shall survive the expiration or termination of this Agreement: Sections 1, 4, 7, 8.2-8.6, 8.9, 10, 11, 12, 14-16, 17.3, and 21-23.

10.7.6 Expiration or termination of this Agreement shall not affect the rights, obligations or liabilities of the Parties accruing prior to such expiration or termination.

11. Limitation of Liability.

EXCEPT FOR A BREACH OF OBLIGATIONS RELATING TO CONFIDENTIALITY OR INTELLECTUAL RIGHTS UNDER THIS AGREEMENT OR AS PART OF THEIR INDEMNIFICATION OBLIGATIONS UNDER THIS AGREEMENT, NEITHER PARTY SHALL BE ENTITLED TO, NOR BE RESPONSIBLE FOR, ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL LOSSES OR DAMAGES ARISING IN CONNECTION WITH A DEFAULT OR BREACH OF THEIR RESPECTIVE OBLIGATIONS UNDER THIS AGREEMENT.

12. Exclusivity.

During the Term and for a period of [*] after termination of this Agreement for any reason, SCYNEXIS shall not, directly or indirectly, [*] on the [*]. For so long as the Agreement Intellectual Property remains protected under any law, statute, or regulation, including, but not limited to, patent and trade secrets protection laws, SCYNEXIS may not use the Agreement Intellectual Property for any purpose other than to render the Services during the Term of the Agreement. For the avoidance of doubt, nothing in this Section 12 is intended to modify the Parties' obligations under Section 15 or 16.

13. Independent Contractor.

SCYNEXIS will be an independent contractor, and no employment, agency, partnership, or joint venture relationship between the parties or their respective employees, either express or implied, shall be created by this Agreement. MERIAL will not be responsible for SCYNEXIS's acts while performing the Services, whether on SCYNEXIS's premises, MERIAL's premises or elsewhere, and SCYNEXIS shall have no authority to speak for, represent, or obligate MERIAL except as expressly authorized in writing by MERIAL.

14. Indemnification.

14.1 MERIAL's Indemnity

Except to the extent caused by SCYNEXIS's negligence or willful misconduct, MERIAL hereby agrees to indemnify and hold SCYNEXIS (and its directors, officers, employees, agents, successors and assigns) harmless from and against any and all Losses arising out of or connected with a third party claim relating to:

i) to any breach by MERIAL of any of its representations and warranties contained in this Agreement or

ii) any claim of infringement of any Intellectual Property of third parties arising from or relating to performance of the Services; or

iii) the use by MERIAL, or its Affiliates, sublicensees, employees, agents and consultants of the compounds delivered by SCYNEXIS hereunder, except to the extent such Losses are attributable to a breach by SCYNEXIS of its representations and warranties in this Agreement or the negligent acts or omissions or willful misconduct in SCYNEXIS's performance of the Services. MERIAL shall not be liable under this Section 14 for any settlement effected without its consent of any claim, litigation or proceeding in respect of which indemnity may be sought hereunder, which consent shall not be unreasonably withheld.

14.2 MERIAL will not be responsible for, or indemnify SCYNEXIS for, any acts performed by SCYNEXIS, or any one working for SCYNEXIS, outside the scope of the Services, whether on SCYNEXIS's premises, MERIAL's premises, or elsewhere.

14.3 SCYNEXIS's Indemnity

Except to the extent caused by MERIAL's negligence or willful misconduct, SCYNEXIS hereby agrees to indemnify and hold MERIAL (and its Affiliates and respective directors, officers, employees, agents, successors and assigns) harmless from and against any and all Losses arising out of or connected with a third party claim relating to:

i) any breach by SCYNEXIS of its representations and warranties in this Agreement;

ii) SCYNEXIS' negligent acts or omissions or willful misconduct in the performance of the services hereunder or the synthesis, labeling or handling of the Compounds provided to MERIAL or the synthesis or handling of Compounds acquired from third parties. SCYNEXIS shall not be liable under this Section 14 for any settlement effected without its consent of any claim, litigation or proceeding in respect of which indemnity may be sought hereunder, which consent shall not be unreasonably withheld.

14.4 The indemnified party shall notify the indemnifying party promptly in writing of any such claim, and the indemnifying party shall have the sole control of the defense and all related settlement negotiations (unless any settlement involves anything other than the payment of money exclusively by the indemnifying party). The indemnified party shall provide the indemnifying party with reasonably requested assistance, information, and authority to perform the above.

15. Confidentiality.

15.1. Obligations. Each receiving party agrees that it shall:

i) maintain all Information in strict confidence, except that the receiving party may disclose or permit the disclosure of any Information to its, and its Affiliates' directors, officers, employees, consultants, approved subcontractors, and advisors who are obligated to maintain the confidential nature of such Information and who need to know such Information for the purposes set forth in this Agreement;

ii) use all Information solely for the purposes set forth in, or as permitted by, this Agreement;

iii) allow its directors, officers, employees, consultants, approved subcontractors, and advisors to reproduce the Information only to the extent necessary to effect the purposes set forth in this Agreement, with all such reproductions being considered Information;

iv) cause any consultant or advisor engaged by the receiving party to whom Information is disclosed to execute a confidentiality and nondisclosure agreement in form and substance reasonably acceptable to the disclosing party.

15.2 Exceptions

The obligations of a receiving party under this Section 15 shall not apply to the extent that the receiving party can demonstrate that the corresponding Information:

i) was in the public domain prior to the time of its disclosure under this Agreement;

ii) entered the public domain after the time of its disclosure under this Agreement through means other than an unauthorized disclosure

resulting from an act or omission by the receiving party or its employees, agents or representatives;

iii) was as shown by written proof independently developed or discovered by employees of the receiving party without use of or access to the Information;

iv) is or was disclosed lawfully to the receiving party at any time, whether prior to or after the time of its disclosure under this Agreement, by a third party having no fiduciary relationship with the disclosing party and having no obligation of confidentiality to the disclosing party with respect to such Information; or

v) is required to be disclosed to comply with applicable laws or regulations (such as disclosure to the United States Environmental Protection Agency or the USPTO or to their foreign equivalents), or to comply with a court or administrative order, provided that the disclosing party receives prior written notice as soon as possible after such court or administrative order is served on the receiving party and that the receiving party takes all reasonable and lawful actions to obtain confidential treatment for such disclosure and, if possible, to minimize the extent of such disclosure; or

vi) is disclosed by MERIAL to governmental, other regulatory agencies, or third parties in compliance with this Agreement in order to gain governmental approval, to perform studies, to conduct trials or to market products, but such disclosure may only be to the extent reasonably necessary.

15.3 Return of Information

Except for Information the rights to which have been granted to a receiving party, upon the termination of this Agreement, at the request of the disclosing party, the receiving party shall destroy all originals, copies, extracts and summaries of documents, materials, and other tangible manifestations of Information in the possession or control of the receiving party, except that the receiving party may retain one copy of the Information in the possession of its in house or outside legal counsel solely for the purpose of monitoring its obligations under this Agreement.

15.4 Publications

MERIAL acknowledges SCYNEXIS's interest in publishing the results to obtain recognition within the scientific community and to advance the state of scientific knowledge. Both Parties recognize their mutual interest in obtaining valid patent protection and in protecting business interests and trade secret information. Consequently, SCYNEXIS and its employees, agents, consultants, representatives, subsidiaries, and successors wishing to make a publication shall submit its request for publication to MERIAL in writing, along a copy of the proposed written publication or an outline of an oral disclosure, at least [*] prior to submission for publication or presentation for approval by MERIAL, which approval shall not be unreasonably withheld. SCYNEXIS shall make modifications to the publication requested by MERIAL for patent

reasons, trade secret reasons, regulatory reasons or other business reasons and to delay publication or presentation for a reasonable period in order to protect Information, know-how and patentable information. Once a publication has been published or presented in accordance with this Section, SCYNEXIS does not need to present the information in such publication again to MERIAL prior to being used in another publication.

15.5 Disclosure of this Agreement and Publicity

Neither Party shall reveal the name of the other Party or the existence or terms of this Agreement without the prior written approval of the other Party, except to the extent required by applicable securities laws or other applicable law or regulation or in connection with a transaction involving the offer or sale of equity or debt instruments, subject to the Disclosing Party entering into a confidentiality agreement with the other party(-ies) with confidentiality obligations no less stringent then the obligations set forth herein.

15.6 Survival of Obligations

With respect to each disclosure of Trade Secrets, the obligations created herein shall survive until such time that it can be demonstrated that the Trade Secret has become publicly available in the public domain. With respect to each disclosure of Confidential Information, the obligations created herein shall survive for [*] from termination or expiration of this Agreement, whichever date is later.

16. Intellectual Property Rights.

16.1 The background technology of each Party shall remain the sole and unencumbered property of such Party. Except as explicitly stated in this Agreement, neither Party shall acquire any rights to the background technology of the other Party.

16.2 SCYNEXIS agrees that SCYNEXIS is performing the Services as work for hire and that all Agreement Intellectual Property shall be the sole and entire property of MERIAL, subject to MERIAL's obligations to third parties. SCYNEXIS hereby assigns all rights, title, and interest to any copyrights and any Agreement Intellectual Property.

16.3 SCYNEXIS agrees to disclose promptly all Agreement Intellectual Property to MERIAL, without royalty or any other consideration, and in any event, prior to the termination of this Agreement.

16.4 MERIAL will be responsible for performing all freedom-to-operate reviews relating to the Services and for filing and prosecuting any Patents resulting from the Services. SCYNEXIS will provide MERIAL with any relevant information related to Compounds, such as chemical structure, so that MERIAL can generate freedom-to-operate opinions as soon as practically possible. SCYNEXIS also will supply required information for Patent filings. SCYNEXIS agrees to (a) execute any document of assignment or title to transfer and perfect title to Agreement Intellectual Property as MERIAL may, from time to time, deem appropriate, and (b) cooperate fully in freedom to operate reviews and in obtaining whatever protection for Agreement

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Intellectual Property, including Patent rights, MERIAL shall require. The obligations of SCYNEXIS under this Section 16 to execute title documents and cooperate in matters of title protection shall not terminate upon the termination of this Agreement, but rather, shall continue in effect thereafter with respect to all such obligations; provided, however, that MERIAL shall reimburse SCYNEXIS for all out-of-pocket expenses incurred by SCYNEXIS in performing services under this Section 16 requested by MERIAL after termination of this Agreement.

16.5 If any Party considers that any Patent is being infringed by a third party, that Party shall notify the other Party and provide it with any evidence of such infringement which is reasonably available. If the infringement relates to any Agreement Intellectual Property, MERIAL shall have the right, but not the obligation, at its own expense, to attempt to remove such infringement by commercially appropriate steps, including suit which it can settle on terms it believes commercially reasonable, and all recovery as to which MERIAL may fully retain. If required by MERIAL, SCYNEXIS shall join such suit as a party, at reasonable expense to MERIAL. In any event, SCYNEXIS shall reasonably assist MERIAL in any such suit, at reasonable expense to MERIAL.

16.6 If any warning letter or other notice of infringement is received by a Party, or action, suit or proceeding is brought against a Party alleging infringement of a Patent of any third party in the manufacture, use or sale of a Compound or any product developed by MERIAL as a result of this Agreement, MERIAL shall have the right to control responding to such allegation and will reasonably consult with SCYNEXIS. Except as set forth above, each Party shall be responsible for responding for its own activities and defending its own activities.

16.7 Any information shared among the Parties in connection with any Patent matters shall be fully subject to the confidentiality provisions set forth in Section 15 herein. Furthermore, the Parties agree that any information shared at any time in any relation to any Inter Partes Patent Proceeding, including without limitation, initiating, defending, or settling any Inter Partes Patent Proceeding, is subject to joint defense or similar agreements, which the Parties shall memorialize, in good faith.

16.8 MERIAL, shall, through in-house or outside attorneys solely of its choice, prepare, file, prosecute, and maintain, and control the preparation, filing, prosecution and maintenance of, all applications for registration of generic names for Compounds pursuant to this Agreement. The Parties hereto expressly agree that the in-house and outside attorneys chosen by MERIAL for this purpose are MERIAL's counsel and waive any and all actual or potential conflicts of interest with respect thereto. The preparation, filing, prosecution and maintenance of applications for registration of generic names for compounds pursuant to this Agreement, shall be at MERIAL's cost.

16.9 Except as set out in Section 16.4, SCYNEXIS agrees that the payments described in Exhibit 2 hereinafter are full and complete compensation for all obligations assumed by SCYNEXIS under this Agreement and in full satisfaction of any and all fees and royalties to which SCYNEXIS may be entitled by law or otherwise, including without limitation, the law of any country in which SCYNEXIS is resident during the Term.

16.10 SCYNEXIS represents and warrants that all persons performing Services, be they an employee of SCYNEXIS or a third party engaged by SCYNEXIS, shall be obligated as a matter of law, or shall have entered into agreements with SCYNEXIS obligating them, to assign to SCYNEXIS all rights they may have in Agreement Intellectual Property (whether patentable or not), and works of original authorship.

16.11 SCYNEXIS agrees to hold all Agreement Intellectual Property confidential in accordance with Section 15 of this Agreement.

16.12 The Parties acknowledge that this Agreement is executory, and that any intellectual property licensed under this Agreement is "licensed intellectual property" for purposes of Section 365(n) of the US Bankruptcy Code and that each licensee under this Agreement shall have the ability to exercise all rights provided by Section 365(n) with respect to the "licensed intellectual property" in any bankruptcy of a licensor under this Agreement.

17. Insurance.

17.1 SCYNEXIS represents that SCYNEXIS carries and will maintain during the Term of this Agreement:

i) Workers' compensation and automobile liability insurance in conformity with the laws of the state(s) in which the work contemplated by this Agreement is to be done; and

ii) Comprehensive general liability insurance and/or an umbrella liability insurance policy, with combined limits sufficient to cover its potential liabilities under this Agreement.

17.2 SCYNEXIS shall furnish insurance certificates showing SCYNEXIS's compliance with this Section upon MERIAL's request.

17.3 Should an employee of SCYNEXIS suffer any kind of injury covered by worker's compensation laws while performing Services under this Agreement, SCYNEXIS represents and warrants that SCYNEXIS's employee's injuries will be covered under SCYNEXIS's worker's compensation insurance policy.

18. Assignment and Subcontracting.

SCYNEXIS will not assign, delegate, sub-contract, transfer, charge or otherwise dispose of all or any of its rights and responsibilities under this Agreement without the prior written consent of MERIAL provided that, subject to Section 10.5, SCYNEXIS shall be entitled to assign this Agreement to any parent, subsidiary, Affiliate, successor of all or substantially all of its [*] assets or business, or related company of SCYNEXIS, [*]. MERIAL reserves the right to assign this Agreement to any parent, subsidiary, Affiliate, successor of all or substantially all of its assets or business, or related company of MERIAL. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, their Affiliates, and their respective successors and permitted assigns.

19. Representations and Warranties

19.1 Authorization

Each Party represents and warrants to the other Party that it has the legal right and power to enter into this Agreement, to extend the rights and licenses granted to the others in this Agreement, and to fully perform its obligations hereunder, and that the performance of such obligations will not conflict with its charter documents or any agreements, contracts, or other arrangements to which it is a party.

19. SCYNEXIS Intellectual Property Rights

i) SCYNEXIS represents and warrants that it owns or has the right to use pursuant to license, sublicense, agreement or permission all Intellectual Property individually or in the aggregate, that are material to the operation of its business and are used to render the Services. To the best of its knowledge, SCYNEXIS has not interfered with, infringed or misappropriated any Intellectual Property of third parties. To the best of SCYNEXIS's knowledge, the performance of services by SCYNEXIS hereunder, will not interfere with, infringe or misappropriate any Intellectual Property of third parties. SCYNEXIS represents and warrants that it has not received any charge, complaint, claim, demand or notice alleging any such interference, infringement or misappropriation (including any claim that it must license or refrain from using any Intellectual Property of any third party). To the best knowledge of SCYNEXIS, no third party has interfered with, infringed upon or misappropriated any Intellectual Property of SCYNEXIS.

20. Force Majeure.

Either party shall be excused from performing its obligations under this Agreement if its performance is delayed or prevented by any event beyond such party's reasonable control, including without limitation, acts of God, fire, explosion, weather, disease, war, insurrection, civil strife, riots, government action, curtailment of transportation, or power failure, provided that such performance shall be excused only to the extent of and during such disability. Prompt notice of an inability to perform will be provided to the other party. If such force majeure circumstances occur, the party injured by the other party's inability to perform may elect to (a) terminate this Agreement immediately if such force majeure event is not cured within [*]; and/or (b) suspend this Agreement for the duration of the force majeure circumstances, and then resume performance under this Agreement. The party experiencing the force majeure circumstances shall cooperate with and assist the injured party in all reasonable ways to minimize the impact of such circumstances on the injured party.

21. Notices.

Any notice or other communication under this Agreement shall be in writing and shall be effective upon the earlier of (i) actual receipt, (ii) seven (7) days following deposit into the United States mail (certified mail, return receipt requested), (iii) the next business day following deposit with a nationally recognized overnight courier service, or (iv) the same day following transmission of a legible facsimile copy during regular

business hours, in each case with any delivery fees pre-paid and addressed to the party at the address set forth on the first page of this Agreement, Attention General Counsel, or such other address as that party may notify the other from time to time in accordance with this Section.

If to SCYNEXIS, to:
SCYNEXIS, Inc.
P.O. Box 12878 Research Triangle Park,
North Carolina 27709, USA
Attention: General Counsel
Facsimile: +1 919-544-8697

If to MERIAL, to:
Merial Limited
3239 Satellite Boulevard
Building 500
Duluth, Georgia 30096, USA
Attention: General Counsel
Copy to: Global Head, Intellectual Property
Facsimile: +1 678-638-3886

22. Scope of Agreement.

This Agreement shall constitute the entire understanding of the parties hereto. No modification, amendment or waiver may be accomplished to the terms of this Agreement except in a writing signed by authorized representatives of both parties.

The waiver by a party of a breach of any provision of this Agreement by the other party (a "Breaching Party") shall not operate or be construed as a waiver of any subsequent breach by the Breaching Party. The parties expressly agree that all terms and provisions herein shall be construed and enforced in accordance with the laws of the State of Georgia, without reference to any rules of conflict of laws. The parties agree that the provisions of this Agreement are severable and separate from one another and if any provision of this Agreement is held to be invalid, illegal, or unenforceable under any present or future law, such provision shall be modified to the minimum extent necessary to render it enforceable and to preserve to the fullest extent possible its original scope. The parties further agree that if any provision is held to be invalid, illegal, or unenforceable to such an extent that it cannot be modified and is stricken from the Agreement, the remainder of the Agreement shall be enforceable without regard to the enforceability of any stricken provision.

23. Headings.

Paragraph headings are for convenience of reference only and shall not be considered in the interpretation of this Agreement.

24. Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

MERIAL LIMITED

By: /s/ Jose Barella

Name: Jose Barella

Title: Senior Vice President, Animal Health

SCYNEXIS, INC.

By: /s/ Yves Ribeill

Name: Yves Ribeill

Title: CEO

MERIAL LIMITED

By: /s/ Ellen de Brabander

Name: Ellen de Brabander

Title: Head of Global R&D

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EXHIBIT 1 — SCOPE OF SERVICES

SCYNEXIS shall perform the following Services:

[*]

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EXHIBIT 2 - TERMS

1. The total cost for the Services over the Term of the Agreement is $21,862,500. The cost cannot exceed this amount without MERIAL's prior written consent. This budget is based on the use of the materials described in the Scope of Services and any other material, supplies, and services necessary to complete the Services.

Payment shall be made in quarterly installments of $1,821,875. The quarters will begin on January 1, April 1, July 1 and October 1. The first quarterly installment can be invoiced no sooner than December 1, 2011, after execution of the Agreement by both parties. The remaining installments will be paid by the later of [*] after MERIAL's receipt of an invoice from SCYNEXIS or [*] after the start of each quarter and MERIAL's receipt of an invoice from SCYNEXIS.

For the avoidance of doubt, MERIAL will be responsible for paying third parties engaged by MERIAL to provide complimentary services as set out in Section 2.2 above. SCYNEXIS shall be responsible for paying any third parties it engages (with MERIAL's prior written approval) to provide the Services. SCYNEXIS shall be responsible for paying for its employees' travel expenses within the United States of America and to and from Europe.

2. Invoices are required for all payments including initial payment and are due [*] days of receipt of invoice. Invoices should be sent to:

Christian Miculka
MERIAL LIMITED
3239 Satellite Blvd.
Duluth, GA 30096-4640

Payee Name: **SCYNEXIS, Inc.**

Payment Method: **Wire Transfer**

Complete the following information for wire transfers:

Bank ABA#: [*]
Bank Name: [*]
Bank Address: [*]
Bank Account Number: [*]

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Exhibit 10.15

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Dated May 10, 2005

(1) Aventis Pharma S.A.

- and -

(2) SCYNEXIS, Inc.

Exclusive World-wide Licence Agreement

THIS AGREEMENT is made as of the 10th day of May 2005

BETWEEN:-

(1) **SCYNEXIS, Inc.**, a company incorporated under the laws of the state of Delaware, whose principal office is at 3501 C Tricenter Boulevard, Durham, North Carolina, 27713 USA ("Scynexis"); and

(2) **Aventis Pharma S.A.**, a company incorporated under the laws of France whose registered office is at 20, Avenue Raymond Aron, F-92165 Antony, Cedex, France ("Aventis Pharma").

BACKGROUND:-

(A) Aventis Pharma has developed or acquired inventions and know-how concerning cyclosporin derivatives, and owns certain patents relating to such inventions;

(B) Aventis Pharma also owns stocks of the compound [*], and cultures useful in the preparation of these compounds (biotransformation strain);

(C) Aventis Pharma and Scynexis Europe Ltd, an Affiliate of Scynexis, entered into an Option Agreement dated 12 March 2004 ("Option Agreement") under which Aventis Pharma granted Scynexis an option (i) to obtain either an assignment of the entire right, title and interest in such inventions, know-how and patents or an exclusive licence thereto, and (ii) have transferred all stocks of the Compound (as defined below) held by Aventis Pharma. During the term of such Option Agreement, Scynexis has evaluated the Patents, and Know-How and as part of its evaluation, has performed additional work on the Compound notably to analyze the integrity of the Compound by checking purity and stability and to confirm, in vitro, the activity of the Compound on new clinical isolates due to the emergence of new HIV resistant strains which did not exist at the time of the original development of the Compound; and

(D) Pursuant to the Option Agreement, (1) Aventis Pharma is willing to grant and Scynexis wishes to receive a world-wide, exclusive licence of Aventis Phainia's

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Know-How, and Patents and (2) Aventis Phatina is willing to sell and Scynexis wishes to purchase Aventis Pharma's Stocks (as defined below), in accordance with and subject to the provisions of this Agreement.

THE PARTIES AGREE AS FOLLOWS:-

1. Definitions

In this Agreement the following words and expressions shall have the following meanings:-

1.1. "Affiliate" Means :

for Scynexis, any company or other legal entity which, now or hereafter, directly or indirectly, owns or controls, is owned or controlled by or is under common ownership or control with Scynexis. In the case of legal entities having stocks and/or shares, ownership or control shall exist through the direct or indirect ownership and/or control of more than fifty percent of the voting stock or shares. In the case of any other legal entity, ownership and/or control shall exist through the ability to directly or indirectly control the management and/or business of the legal entity;

for Aventis Pharma, any company or other legal entity which, at the Execution Date or subsequently, is directly or indirectly controlled by Aventis Inc having its registered office at 300 Somerset Corporate Blvd — 08807 Bridgwater (USA) — New Jersey (State of incorporation : Pennsylvania — Federal Id Nr : 23-1699163) and/or Hoechst Aktiengesellschaft having its registered office at Braningstr. 50 — 65926 Frankfurt (Germany) (Handelsregister : Lower Court of Frankfurt am Main — Nb of Registration : HR B 14500). In the case of legal entities having stocks and/or shares, ownership or control shall

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	exist through the direct or indirect ownership and/or control of more than fifty percent of the voting stock or shares. In the case of any other legal entity, ownership and/or control shall exist through the ability to directly or indirectly control the management and/or business of the legal entity;
1.2. “Ancillary Rights”	any copyrights, design rights, database rights and/or similar rights that subsist in the Delivered Documents;
1.3. “Assets”	the Patents, the Know How, the Ancillary Rights, the Stocks, and the Delivered Documents;
1.4. “Biotransformation Strain”	the biotransformation strain cultures useful in the preparation of the Compound and more particularly defined in Appendix IV attached to the present agreement and made a part hereof.
1.5. “Combination Product”	a Product which includes one or more active ingredients other than the Compound in combination with the Compound.
1.6. “Compound”	a compound, or salt form thereof, covered by a composition of matter claim within the Patents, including [*] or [*].
1.7. “Delivered Documents”	the documents and files (whether in paper, electronic or other tangible form) containing Information with regards to the Know How and Patents (both as defined below) as listed in the Appendix I attached to the present agreement and made a part hereof .
1.8. “Execution Date”	the date of this Agreement as written above;
1.9. “Granted Patents”	granted and/or issued Patents (as defined below);
1.10. “Holding Party”	the party that under the provisions of Clauses 12.1 and 12.2, does not own the Confidential Material concerned;

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1.11. “Information”	data, results, know-how, show-how, software, algorithms, inventions, designs, trade secrets, plans, forecasts, analyses, evaluations, research, technical information, concepts, techniques, processes, business information, financial information, business plans, strategies, customer lists, marketing plans, or other information whether oral, in writing, in electronic form or in any other form;
1.12. “Infringement”	any infringement of the Patents or the Ancillary Rights and/or misuse of the Know How;
1.13. “Know How”	means any Information controlled by Aventis Pharma or its Affiliates that is necessary or useful for practising the Patents, including copies of relevant portions of lab notebooks, experimental data, research summaries and reports, invention disclosures and internal and external study results, pre-clinical and clinical data, and any process, procedures, manufacturing data, CMC data, batch records, composition, method, trade secret, formula, protocol, technique and data, including but not limited to the Delivered Documents.
1.14. “Licensed Rights”	the Patents, the Ancillary Rights and the Know How;
1.15. “Net Sales Value”	the sum of the gross invoice price to third party customers for sales of the Products, less: (i) rebates and discounts actually allowed or given ; (ii) tax included in the invoice or other governmental charges and duties directly related for the sale, transportation or delivery of Products to the extent included in the invoice; (iii) amounts refunded, allowed or credited in connection with shortages or returned or rejected Products; (iii) sales commissions paid to distributors and/or selling agents; (iv) [*] bad debt; and (v) transportation and insurance charges.

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With respect to sales of Combination Products, the Net Sales Value shall be calculated [*]. In the event that a Product is sold only as a Combination Product, the Net Sales Value shall be calculated on the basis of the invoice price of the Combination Product multiplied by a fraction, the numerator of which shall be the [*] of Compound in the Combination Product, and the denominator of which shall be the [*] of all of the active ingredients in the Combination Product. [*] shall be determined in accordance with Scynexis' regular accounting methods;

1.16. "Owning Party" the party that owns the Confidential Material concerned as specified in Clauses 12.1 and 12.2;

1.17. "Patents" means

(a) the patents and patent applications listed in Appendix II attached to the present agreement and made a part hereof,

and any and all foreign counterparts in the world claiming, or entitled to claim, priority from any of the patents and patent applications listed in Appendix II attached to the present Agreement and made a part hereof, and any patents issued or issuing on any of such applications,

(b) any provisional and non-provisional applications anywhere in the world, including certificates of invention and applications for certificates of invention, claiming the Licensed Rights and any patents issued or issuing on any such applications,

(c) any continuations, divisions, continuations-in-part, re-

	examinations, renewals, supplementary protection certificates, patents of addition, utility models of any of the foregoing and any patents issued or issuing thereon, and
	(d) any reissues and extensions of any of the foregoing;
1.18. “Patent Applications”	patent applications within the definition of the Patents;
1.19. “Personnel”	means in respect of a party, its directors, officers, employees, consultants, agents, representatives, contractors and advisors;
1.20. “Products”	any product containing the Compound whose manufacture, sale or use falls within the scope of a Valid Claim.
1.21. “Revocation Proceedings”	any proceedings where the validity, ownership or scope of any of the Patents is at issue including counterclaims for revocation of patents, opposition proceedings and interference proceedings.
1.22. “Quarter”	the quarterly periods ending March 31st, June 30th, September 30th and December 31st;
1.23. “Stocks”	all stocks of the Compound owned and/or controlled by Aventis Pharma and/or its Affiliates, the intelinediates thereto, the remaining histopathology samples from the pre-clinical studies performed by Aventis Pharma, and the Biotransformation Strain, as in Aventis Pharma’s possession at the Execution Date, which are mainly listed in Appendix III attached to the present agreement and made a part hereof;
1.24. “Sub-Licensee”	any third party to whom Scynexis has granted a sub-licence under the Licensed Rights;
1.25. “Valid Claim”	any claim contained in a subsisting Granted Patent that has not been held invalid or unenforceable by a final decision of a

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court or other government agency of competent jurisdiction that is unappealable or has not been appealed within the time allowed for appeal and which has not been admitted to be invalid or unenforceable through reissue disclaimer or otherwise.

2. Licence

2.1. Aventis Pharma hereby grants to Scynexis, with the right to grant sub-licences :

(i) an exclusive world-wide licence under the Patents, and

(ii) an exclusive world-wide licence under the Know-How and Ancillary Rights in the field of treatment, prophylaxis and prevention of Human Immunodeficiency Virus (HIV) and/or Acquired Immune Deficiency Syndrome (AIDS), and

(iii) a non-exclusive world-wide licence under the Know-How and Ancillary Rights in all fields outside the field of treatment, prophylaxis and prevention of Human Immunodeficiency Virus (HIV) and/or Acquired Immune Deficiency Syndrome (AIDS);

to research, develop, manufacture, import, market, use, sell, and supply products and to perform any other act that would infringe the Licensed Rights, were it not for the grant hereunder.

2.2. Aventis Pharma shall upon Scynexis' reasonable request promptly execute all documents (including executing formal licences) as may be necessary to give effect to the licences granted hereunder and to record Scynexis as the exclusive licensee of the Licensed Rights in any country where necessary to exercise the rights under the Patents licensed hereunder.

2.3. Within [*] after the Execution Date, Aventis Pharma shall transfer and deliver to Scynexis in good order complete copies of the patent prosecution files and copies of original title documents relating to the Patents including the original patent office filing receipts, original certificates on grant or issue and original renewal certificates.

2.4. Scynexis shall undertake reasonable commercial efforts to develop, register and commercialize a Product.

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2.5. Within [*] after the Execution Date, Aventis Pharma shall deliver to Scynexis copies of all documents and files (whether in paper, electronic form or otherwise) in the possession or control of Aventis Pharma and/or its Affiliates containing the Know How as well as the Delivered Documents listed in the Appendix I attached to the present agreement.

3. Stocks

3.1. On the Execution Date, Aventis Pharma shall sell and Scynexis shall purchase all right, title and interest in the Stocks. Aventis Pharma makes no representation with regard to purity or biological activity of the Stocks provided. Scynexis acknowledges that the Stocks are sold without any express or implied warranty, including any warranty of satisfactory quality or fitness for a particular purpose, and Aventis Pharma makes no representation or warranty that the use of the Stocks will not infringe any patent, copyright, trade mark or other proprietary right of a third party. All warranties are hereby excluded to the extent permitted by law.

3.2. Within a reasonable period of time, and no later than [*] after the Execution Date, Aventis Pharma shall deliver the Stocks to Scynexis "Ex Works" (INCOTERMS 2000) at the Aventis Pharma premises in Vitry, France. Scynexis shall be responsible for arranging at Scynexis' expense, transportation, packaging and insurance of the Stocks.

3.3. Aventis Pharma will use its best efforts to provide Scynexis with the protocol(s) in Aventis Pharma's possession concerning the handling, storage and safety of the Stocks, which protocols are listed in Appendix I, within [*] after the Execution Date.

4. Technology Transfer/Non-Exclusive License Grant

4.1. Aventis Pharma agrees to exert reasonable efforts to:

4.1.1. respond to reasonable enquiries made by Scynexis in respect of the Assets provided that scientists who worked on the Compound within Aventis Pharma are still available, and provided further that Aventis Pharma shall not be

required to carry out any further research or experiment in order to respond to any such enquiry;

4.1.2. procure that a Aventis Phamia contact person is reasonably available for telephone discussions, and, if reasonably necessary, meetings with Scynexis at the Aventis Pharma facilities; For the purpose of this Agreement, the Aventis Pharma contact person shall be [*], and

4.1.3. as and when reasonably requested by Scynexis, provide copies of any documents or files in the possession or control of Aventis Pharma or its Affiliates that may reasonably assist Scynexis with its understanding of the Assets, provided that Aventis Pharma shall not be required to provide copies of any documents or files in breach of a duty of confidence owed to a third party.

4.2. In the event that the development, making, having made, use, or sale of Compound or Products by Scynexis, its Affiliates or Sub-Licensees would infringe any intellectual property (other than the Licensed Rights) which at the Execution Date, Aventis Pharma and/or its Affiliates own or have the right to license, Aventis Pharma hereby grants to Scynexis, a non-exclusive, world-wide, royalty-free, sub-licenseable license under such intellectual property solely for Scynexis, and its Affiliates and Sub-Licensees to develop, make, have made, use and sell such Compound and Products.

5. Payments

5.1. In consideration of the licence set out in Clause 2.1, the provision of the Delivered Documents pursuant to clause 2.5 of the present agreement and the sale of the Stocks pursuant to clause 3 of the present agreement, Scynexis shall pay to Aventis Pharma during the term hereof;

5.1.1. the sum of [*] United States dollars (US $ [*]) within [*] after the Execution Date.

5.1.2. the following milestone payments which shall be paid within [*] after the date that the milestone is obtained:

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

	Milestone	Milestone Payment
[*]	[*]	[*]
[*]	[*]	[*]

5.1.3. a royalty consisting of a percentage of the Net Sales Value of Products sold by Scynexis or any Affiliate of Scynexis in a given calendar year in accordance with the conditions set forth below :

a) for sales in any country where there is a Valid Claim, Scynexis shall pay to Aventis Pharma a royalty as defined in the table below ("Scynexis Royalty Rate"):

Annual Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries	**Scynexis Royalty Rate due by Scynexis**
On the portion of sales which is less than or equal to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries
On the portion of sales which is above [*] to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries
On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries
On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries
On the portion of sales which is greater than [*] US Dollars	[*] % of the Net Sales Value of the Products sold by Scynexis or any Affiliate of Scynexis in such countries

5.1.4. a royalty consisting of a percentage of the Net Sales Value of all Products sold by a Sub-Licensee in a given calendar year in accordance with the conditions set forth below :

a) for sales in any country where there is a Valid Claim, Scynexis shall pay to Aventis Pharma a royalty as defined in the table below ("Sub-Licensee Royalty Rate"):

Annual Net Sales Value of the Products sold by a Sub-Licensee in such countries	**Sub-Licensee Royalty Rate due by Scynexis**
On the portion of sales which is less than or equal to [*] US Dollars inclusive	[*]% of the Net Sales Value of the Products sold by a Sub-Licensee in such countries

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

On the portion of sales which is above [*] to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by a Sub-Licensee in such countries
On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by a Sub-Licensee in such countries
On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by a Sub-Licensee in such countries
On the portion of sales which is above [*] US Dollars to [*] US Dollars inclusive	[*] % of the Net Sales Value of the Products sold by a Sub-Licensee in such countries
On the portion of sales which is greater than [*] US Dollars	[*] % of the Net Sales Value of the Products sold by a Sub-Licensee in such countries

5.2. In no circumstances shall Scynexis be required to pay Aventis Pharma a royalty in respect of a unit of Product under both Clauses 5.1.3 and 5.1.4. For clarity, with respect to the distinction of the situation of a sub-license and a collaboration which does not entail a sub-license, the parties agree that:

(i) where a Product is supplied by Scynexis, its Affiliates or on behalf of Scynexis or its Affiliates to a third party which then commercializes the Product, royalties in respect of that Product shall be paid under Clause 5.1.3.

(ii) Where a Product is manufactured by or on behalf of a Sub-Licensee, royalties achieved by the Sub-Licensee in respect of that Product sales shall be paid under Clause 5.1.4.

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

5.3. In the event that Scynexis, its Affiliates or a Sub-Licensee sell Compound in bulk form rather than Product in packaged form (e.g., for use in combination with another active ingredient) to an independent third party, and Scynexis does not participate in any proceeds of the sales of the corresponding finished product, the royalty obligations of this Clause 5 shall be [*].

5.4. If a compulsory license is granted to a third party with respect to a Product in any country with a royalty rate lower than the royalty rate provided in this Clause 5, then the royalty rate to be paid to Aventis Pharma in that country shall be [*].

5.5. If laws, rules or regulations require withholding of taxes imposed upon the payments set forth in this Agreement, Scynexis shall subtract such withholding payments from the payments due to Aventis Pharma set forth in this Clause 5 and shall provide Aventis Pharma with documentation to allow Aventis Pharma to recover such withholding payment.

5.6. All royalties described in this Clause 5 are subject to the following conditions;

5.6.1. no royalties shall be due upon the sale or transfer among Scynexis, its Affiliates or Sub-Licensees, but in such cases the royalty shall be due and calculated upon Scynexis' or its Affiliate's or Sub-Licensee's Net Sales Value to the first independent third party; and

5.6.2. no royalties shall accrue on the disposition of Products in reasonable quantities by Scynexis, its Affiliates and Sub-Licensees as samples (promotional or otherwise) or as donations (for example, to non-profit institutions or government agencies for a non-commercial purpose).

5.7. The parties hereto hereby acknowledge that pursuant to [*], Scynexis has certain obligations to [*] with respect to [*] of [*]. Should, following [*], Scynexis wish to [*] for the [*] and/or [*], Scynexis shall inform Aventis Pharma in writing in advance and provide Aventis Pharma with all information reasonably needed by Aventis Pharma to establish its interest to [*] to [*], upon terms and conditions to be negotiated in good faith. Aventis Pharma shall have [*] from receipt of such information to inform Scynexis in writing whether it wishes to [*]. In the event that

Aventis Pharma confirms its interest, but Aventis Pharma and Scynexis [*] within [*] from the start of negotiations, Scynexis shall be free to [*]. Notwithstanding the above, the parties hereby acknowledge that pursuant to the [*], Scynexis will [*] unless [*]. Should the negotiations between Aventis Pharma and Scynexis be terminated because Scynexis has informed Aventis Pharma that [*] are [*], in case Aventis Pharma wishes to [*] of [*], Aventis Pharma may [*] (e.g. [*] or [*]) [*] to [*] and [*] Aventis Pharma (without [*] and [*]) (hereinafter the "[*]"). Such [*] shall [*] as those set forth in the present Agreement with regards to [*] (hereinafter referred to as "[*]") and to other [*] of the Parties (as defined below). [*] the terms and conditions [*] shall be [*].

6. Payment Terms

6.1. Starting from when any of Scynexis, its Affiliates and/or a Sub-Licensee first puts the Product on the market for commercial sale in a country and for the time period royalties are due in compliance with article 5 of the present agreement, on a country by country basis, Scynexis shall, within [*] of the end of each Quarter,

6.1.1. provide Aventis Pharma with a royalty [*] for the preceding Quarter setting out the royalties payable in respect of sales of Products made during that Quarter under Clause 5; and

6.1.2. pay the sums due to Aventis Pharma as set forth in such royalty statement.

6.2. All sums payable under this Agreement shall be paid in US Dollars by wire transfer to Aventis Pharma' bank account, details of which Aventis Pharma shall notify to Scynexis from time to time in writing.

6.3. If Products are sold or supplied by Scynexis, its Affiliates and/or Sub-Licensees in a currency other than US Dollars, the royalties payable in respect of such sales under this Agreement shall be first determined in the currency of invoice and then converted into US Dollars at the average daily open market currency rate (commercial selling rate) as quoted in the Wall Street Journal fixing rate, issued by Reuters at 3 p.m. New York time, for the Quarter in which such sales took place.

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7. Records and Audits

7.1. Scynexis shall keep and shall cause its Affiliates to keep at its normal place of business records and books of account showing the quantity, description and value of all Products sold by Scynexis and its Affiliates in each country for a period of [*] after the sale took place.

7.2. Scynexis shall make its records and books of account available and shall ensure that its Affiliates make their records and books of account available for inspection during normal business hours by an independent accountant appointed by Aventis Pharma for the purpose of verifying the accuracy of any royalty-statement provided by Scynexis or its Affiliates to Aventis Pharma pursuant to Clause 6.1 in the previous [*] provided that the accountant enters into a binding confidentiality agreement with Scynexis and or its Affiliate in the form reasonably requested by Scynexis or its Affiliate.

7.3. Aventis Pharma shall be entitled to have inspections carried out pursuant to Clause 7.2 [*] by giving Scynexis and/or its Affiliate [*] written notice prior to each inspection.

7.4. Aventis Pharma shall bear the cost of carrying out the inspections referred to in Clause 7.3. unless there is an error of more than [*] in any royalty statement provided by Scynexis or its Affiliate, in which case Scynexis or its Affiliate shall promptly pay to Aventis Pharma the accountants' reasonable fees for making the relevant inspection. If Aventis Pharma' inspection shows that Scynexis or its Affiliate has paid more than the amounts properly due under this Agreement, then Scynexis or its Affiliate shall be entitled to deduct such excess from the future sums payable to Aventis Pharma under this Agreement. If Aventis Pharma's inspection reveals a deficit then Scynexis or its Affiliate as appropriate shall promptly pay the deficit.

7.5. Scynexis will impose record keeping and audit obligations on any Sub-Licensee, such that Scynexis will be entitled to audit the royalty statements of any such Sub-Licensee in a manner similar to that described in this Clause 7.

8. Representations and Warranties

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

8.1. Each party represents and warrants to the other that it has the legal right and power to enter into this Agreement and to fully perform its obligations hereunder.

8.2. Aventis Pharma represents and warrants to Scynexis that as of the Execution Date:

8.2.1. the Patents exist and, to the best of Aventis Pharma' knowledge, the Patents are not invalid or unenforceable in whole or in part;

8.2.2. Aventis Pharma has not previously assigned, transferred, conveyed or otherwise encumbered its right, title and interest in the Assets, and it has not granted any licence or rights relating to the Assets nor is it under any obligation to do so;

8.2.3. Aventis Pharma is the sole and exclusive owner of the Assets, all of the Assets are free and clear of any liens, charges and encumbrances, and no third party has any claim of ownership or any rights with respect of the Assets;

8.2.4. to the best of Aventis Pharma's knowledge, the practice of the inventions disclosed in the Patents and Know How does not interfere with or infringe any intellectual property rights owned or possessed by any third party [*];

8.2.5. to the best of Aventis Pharma's knowledge, there are no notices of infringement against Aventis Pharma, or claims, judgments or settlements against or owned by Aventis Pharma, or pending or threatened claims or litigation, relating to the Assets;

8.2.6. to the best of Aventis Pharma' knowledge, there are presently no third parties which are infringing the Patents;

8.2.7. to the best of Aventis Pharma' knowledge, use of the Compound will not violate any law, rule or regulation;

8.2.8. Aventis Pharma has disclosed to Scynexis all reasonably relevant information regarding the Assets which Aventis Pharma had in its possession. Furthermore, Scynexis confirms that during the term of the Option

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Agreement, Scynexis was permitted to conduct due diligence with the assistance of Aventis Pharma Personnel.

8.3. All payments due in respect of the prosecution, maintenance and renewal of the Patents have been paid in full at the Execution Date.

8.4. Aventis Pharma owns or controls at least [*] of Stocks (net of all packaging).

8.5. Scynexis confirms that [*] and [*].

8.6. Except as stated in Clauses 8.1 and 8.2, Aventis Pharma expressly disclaims any implied warranties of merchantability or fitness for a particular purpose of any Stocks provided to Scynexis by Aventis Pharma hereunder.

8.7. In no event shall Aventis Pharma be liable for any use by Scynexis, its Personnel, its Sub-Licensee and its Affiliates of the Stocks, or any loss, claim, damage or liability that may result from the use, handling, storage or disposal of Stocks, except to the extent such claims or losses are attributable to Aventis Pharma' negligence or intentional misconduct.

9. Limitation of Liability and Indemnity

9.1. Scynexis shall assume all risks associated with the development, manufacture, use and supply of the Products by Scynexis, its Affiliates and its Sub-Licensees and shall be responsible for all third party claims relating to such Products including claims based upon product liability laws.

9.2. Scynexis shall fully indemnify, and at all times keep Aventis Pharma, its Affiliates and their Personnel fully indemnified, against any and all liability, damages, claims, proceedings and/or expenses (including legal expenses and expert's fees) arising out of or in connection with:-

9.2.1. any research, development, manufacture, use, distribution, supply and or sale of the Products and/or the Stocks and/or Compounds by Scynexis or its Affiliates or its Sub-Licensees; and/or

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9.2.2. any possession or use by a third party of the Products manufactured and/or supplied and/or sold by or on behalf of Scynexis, or its Affiliates or its Sub-Licensees and/or of the Stocks and/or Compounds; and/or

9.2.3. a breach of any of the warranties and representations given by Scynexis, pursuant to Clause 8.1 or any of its obligations under this agreement.

9.3. Aventis Pharma shall fully indemnify and at all times keep Scynexis, its Affiliates and their Personnel fully indemnified, against any and all liability, damages, claims, proceedings, expenses (including legal expenses and expert's fees) arising out of or in connection with a breach of any of the warranties and representations given by Aventis Pharma pursuant to Clauses 8.1 and 8.2.

9.4. Where in this Agreement a party (the "Party Giving the Indemnity") gives an indemnity to the other party (the "Party Receiving the Indemnity"), such indemnity shall be subject to the following conditions:-

9.4.1. the Party Receiving the Indemnity shall notify the Party Giving the Indemnity of any claim or action covered by the relevant indemnity (a "Claim") within [*] of becoming aware of the Claim;

9.4.2. the Claim does not arise as a consequence of any breach of this Agreement by the Party Receiving the Indemnity and/or from any negligence or misconduct by the Party Receiving the Indemnity;

9.4.3. the Party Giving the Indemnity is given sole conduct of the defence and settlement of any Claim;

9.4.4. the Party Receiving the Indemnity does not at any time prejudice the defence of the Claim and;

9.4.5. the Party Receiving the Indemnity provides the Party Giving the Indemnity (at the cost of the Party Giving the Indemnity) with such assistance, documents, authority and information as the Party Giving the Indemnity may

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reasonably require in relation to the Claim and the defence or settlement of the Claim.

9.5. Neither party shall be liable for any indirect loss or damage arising out of this Agreement or any breach of it.

10. Infringement of the Licensed Rights

10.1. Infringement by Third Parties.

(a) Each Party shall promptly inform the other Party upon becoming aware of any Infringement or unauthorised use of the Licensed Rights, which is occurring, threatened to occur or similar.

(b) In the event of any Infringement or unauthorized use referred to in Section 10.1(a), [*] or its Affiliate shall have the first right (but not the obligation) to institute and control an action based on such Infringement or unauthorised use and shall be responsible for the cost of such action. [*] shall provide, against refund of its reasonable out-of-pocket expenses, to [*] or its Affiliates all assistance reasonably required to engage and pursue such proceedings to a satisfactory conclusion. [*] shall not, without the prior written consent of [*], make any admission as to liability or agreement to any settlement or compromise relating to such proceedings to the extent that such settlement or compromise would [*] under this Agreement or otherwise [*] or otherwise [*] hereunder.

(c) If [*] notifies [*] in writing that it decided not to take action against the infringer, or if within [*] of notification of the Infringement or unauthorized use [*] has taken no action to enjoin or address such Infringement or unauthorized use, [*] shall have the right, but not the obligation, to prosecute an infringement action at [*] own cost and expense.

(d) Each Party shall execute all necessary and proper documents and take such action as shall be reasonably appropriate to allow the other Party to institute and prosecute any action for Infringement or unauthorised use which that

other Party is permitted to institute and prosecute under this Section 10.1, and in the case of section 10.1 (c), [*] shall, if reasonably required, [*] or [*] any such proceedings to enable [*] to conduct the proceedings.

(e) Any award or other consideration paid by third parties as a result of an infringement action shall [*].

10.2. Allegations of Infringement.

In the event of any claim against Aventis Pharma and/or any of its Affiliates and/or against Scynexis and/or any of its Affiliates that the use of the Licensed Rights would infringe or make unauthorised use of any third party's know-how, patents or other intellectual property rights, the Party against whom such claim is made (the "Claim Recipient") shall notify the other Party as promptly as possible. The Claim Recipient shall have the right to assume full responsibility, at its sole expense, for the defense of such claim and to make any offer or agree any settlement of such claim. The Claim Recipient shall not take any action which would be detrimental to the other Party's interests. The other Party shall provide, against refund of cash expenses, the Claim Recipient and/or its Affiliates with all assistance reasonably required by them to engage and pursue such claim or any proceedings resulting from such claim to a satisfactory conclusion.

10.3. Invalidity or Nullity.

(a) Each Party shall promptly inform the other Party of any proceedings brought by a third party based on the invalidity or nullity of any Licensed Right including, without limitation, any action instituted by way of counterclaim in an action for Infringement of that Licensed Right.

(b) [*] shall have the first right (but not the obligation) to control the defense of any nullity or invalidity proceedings referred to in Section 10.3(a) above. [*] shall assist and cooperate with [*] to the extent reasonably necessary in the defense of such proceedings and against reimbursement of [*] reasonable out of pocket expenses including, without limitation, executing all such documents and take all such steps as are reasonably necessary to enable [*] to

control the defense of such proceedings (including, without limitation, [*] or [*] such suit or proceedings). [*] shall not, in the case when the [*] is affected, without the express prior written consent of [*], make any admission as to [*] or agree to any settlement or compromise relating to any such proceedings. In addition, with respect to any such proceeding when the [*] is affected, [*] shall not, without the express prior written consent of [*], make any admission as to [*] or agreement to any settlement or compromise relating to such proceedings to the extent that such settlement or compromise [*] or otherwise [*].

(c) If [*] notifies [*] in writing that it decided not to defend any proceedings referred to in Section 10.3(a) above, or if [*] has not instituted any defense of any nullity or invalidity proceedings referred to in Section 10.3(a) above within [*] after such proceedings have been instituted, [*] shall have the right (but not the obligation) to control the defense of such proceedings at [*] own cost and expense.

(d) Without prejudice to Sections 10.3(b) and (c), the Party that controls the defense of any proceedings referred to in Section 10.3(a) shall keep the other Party fully informed as to the conduct of such proceedings and shall in good faith:

(i) consult with the other Party in relation to any decision which may affect the scope of protection conferred by the Licensed Rights including, without limitation, decisions as to strategy and settlement; and

(ii) provide the other Party with all information reasonably necessary for such other Party to be able to consider and give an informed opinion to the Party on, and take into account all opinions and suggestions of the other Party relating to, any decision referred to in Section 10.3(d)(i) above.

11. Prosecution and Maintenance of the Patents

11.1. Aventis Pharma shall, at its own cost and expense, prosecute, defend in compliance with Clause 10 above, and maintain the Patents.

11.2. Scynexis shall have the right to comment on all substantive communications with any national patent office in respect of the Patents and Aventis Pharma shall reasonably consider such comments.

11.3. Without prejudice to Clause 11.2, Aventis Pharma shall promptly provide Scynexis with a copy of all relevant correspondence sent by Aventis Pharma following the Execution Date to any patent agent (whether internal or external) in connection with the Patents and shall instruct any patent agent dealing with the Patents (whether internal or external) to promptly provide Scynexis with a copy of all correspondence sent by such patent agent (whether sent to a patent office, Aventis Pharma or any other third party) in connection with the Patents.

11.4. Subject to Clause 10, Aventis Pharma shall, at its own expense, defend any Revocation Proceedings. Aventis Pharma shall at all times consult with Scynexis on the conduct of such proceedings and shall [*] in connection therewith.

11.5. Aventis Pharma shall not assign or otherwise transfer any right, title or interest in the Patents, the Ancillary Rights or the Know How to any third party other than its Affiliates without the prior written consent of Scynexis.

12. Confidential Material

12.1. In this Agreement, “Confidential Material” owned by Scynexis shall, subject to Clause 12.3, mean the Stocks, the License Deal Confidential Information, and all Information disclosed by Scynexis or any of its Affiliates to Aventis Pharma or any of its Affiliates on or after the Execution Date or pursuant the Option. Agreement; and/or

12.2. In this Agreement, “Confidential Material” owned by Aventis Pharma shall, subject to Clause 12.3, mean all Information disclosed by Aventis Pharma or any of its Affiliates to Scynexis or any of its Affiliates on or after the Execution Date or pursuant the Option Agreement including without limitation the Know-How and the

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Biotransformation Strain, but excluding the Stocks (except the Biotransformation Strain).

12.3. In this Agreement, “Confidential Material” shall not include any Information which the Holding Party can prove:-

12.3.1. is or becomes public knowledge through no improper conduct on the part of the Holding Party, its Affiliates and/or their respective Personnel;

12.3.2. is already lawfully possessed by the Holding Party and/or its Affiliates without any obligations of confidentiality or restrictions on use prior to the Holding Party first receiving it from the Owning Party and/or

12.3.3. is obtained subsequently by the Holding Party and/or its Affiliates from a third party without any obligations of confidentiality and such third party is in lawful possession of such information or materials and not in violation of any contractual or legal obligation to maintain the confidentiality of such information or materials.

12.4. The Holding Party shall treat and shall cause its Affiliates and Sub-Licensees if relevant to treat, all Confidential Material owned by the other party as secret and confidential and shall not use, copy or disclose to any third party any Confidential Material owned by the other party except that:-

12.4.1. Scynexis may use and disclose Confidential Material owned by Aventis Pharma and/or its Affiliates as reasonably necessary to exploit the Licensed Rights and/or the Assets and notably to its Affiliates, Sub-Licensees and sub-contractors, provided that such Affiliates, Sub-Licensees and sub-contractors are bound by restriction of use and confidential obligations similar as those set forth in the present agreement (“Authorized Holding Third Parties”);

12.4.2. Aventis Pharma may use and disclose Confidential Material owned by Scynexis as reasonably necessary to enforce its rights under this Agreement provided that Aventis Pharma shall not disclose confidential information

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concerning development and/or sales of the Products without the prior written consent of Scynexis (except if legally required).

12.4.3. the Holding Party may disclose Confidential Material owned by the other party to those of its Personnel, Affiliates, sub-contractors and Sub-Licensees to whom such disclosure is reasonably necessary (and only disclose that part of the Confidential Material owned by the other party whose disclosure is reasonably necessary) provided that the Holding Party shall remain responsible for procuring that its Personnel, Affiliates, sub-contractors and. Sub-Licensees and are bound by restriction of use and confidential obligations similar as those set forth in the present agreement and also do not further disclose and/or use the Confidential Material owned by the other party for any other purpose;

12.4.4. after giving written notice to the Owning Party, the Holding Party may disclose any part of the Confidential Material owned by the other party solely to the extent that it is legally required to do so pursuant to an order of a court of competent jurisdiction or governmental authority provided that the Holding Party shall use its best endeavours to limit such disclosure and to provide the Owning Party with an opportunity to make representations to the relevant court or governmental authority; and/or

12.4.5. For the avoidance of doubt, the parties hereby confirm that Scynexis and its Affiliates, Sub-Licensees and sub-contractors may disclose Confidential Material owned by Aventis Pharma and its Affiliates to regulatory authorities as reasonably useful to obtain regulatory and marketing approval(s) for Product(s).

12.5. All documents, materials and other items (including items in electronic form), and any intellectual property rights therein, provided by the Owning Party to the Holding Party containing Confidential Material shall remain the absolute property of the Owning Party.

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12.6. The Holding Party shall, and Scynexis shall ensure that any Authorized Holding Third Parties shall maintain at all times, documents, materials and other items (including items in electronic form) containing Confidential Material owned by the other party and any copies thereof, in a secure fashion by taking reasonable measures to protect them from theft and unauthorised copying, disclosure and without prejudice to the foregoing shall exercise at least the same degree of care to prevent unauthorised disclosure and/or use of the Confidential Material owned by the other party as the Holding Party exercises in respect of its own confidential material of like importance.

12.7. The Holding Party shall notify the Owning Party immediately if the Holding Party becomes aware of any unauthorised use or disclosure of, or any unauthorised access to or of any theft or loss of any copies of any Confidential Material owned by the other party.

12.8. The provisions of this Clause 12 shall continue for [*] and shall, for the avoidance of doubt, survive termination or expiry of this Agreement.

12.9. Scynexis shall ensure that any and all Authorized Holding Third Parties will be bound by similar obligations as those set forth in the articles 12.3 to 12.8 with regards to the Confidential Material owned by Aventis Pharma as defined in the article 12.2 of the present agreement.

12.10. Scynexis shall disclose to the Independent Auditor such Confidential Material as the Independent Auditor may need to carry out its assignment as described in Clause 5.7, provided that the Independent Auditor shall enter into a confidentiality agreement in accordance with the provisions of Clauses 5.7 and 12 hereof.

13. Expiry and Termination

Commencement and Expiry

13.1. This Agreement shall commence on the Execution Date and unless terminated earlier in accordance with its provisions, this Agreement shall expire on a country by country basis upon expiry of all the Valid Claims.

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Termination by Scynexis

13.2. Scynexis may terminate this Agreement forthwith by giving Aventis Pharma immediate written notice of termination if Aventis Pharma commits a material breach of any provision of this Agreement and, having been notified of such breach, fails to remedy it within [*] of notification.

13.3. Scynexis may terminate this Agreement at any time without cause by giving Aventis Pharma ninety (90) days notice of termination.

Termination by Aventis Pharma

13.4. This Agreement may not be terminated by Aventis Pharma unless Scynexis has committed a serious breach of this Agreement. If Scynexis commits a serious breach of this Agreement, Aventis Pharma shall notify Scynexis specifying the breach. If Scynexis fails to remedy the breach within 90 days of receiving notice from Aventis Pharma then Aventis Pharma may apply to the court for an order that the Agreement be terminated. However, in case Scynexis does not pay the royalties and milestones due to Aventis Pharma in accordance with the terms and conditions set forth in the present Agreement, Aventis Pharma shall notify Scynexis specifying the breach and if Scynexis fails to remedy this breach within 90 days of receiving notice from Aventis Pharma, then Aventis Pharma may terminate this Agreement forthwith by giving Scynexis immediate written notice of termination.

13.5. For purpose of Clause 13.4, “serious breach” shall mean a breach:-

13.5.1. for which damages would not be an effective or adequate remedy; and

13.5.2. that has caused loss to Aventis Pharma and/or its Affiliates comparable with the loss that would be caused to Scynexis if this Agreement were to be terminated.

13.6. It is already understood between the parties that a breach by Scynexis of its obligations as set forth in the article [*] of this agreement shall be considered as a serious breach.

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

13.7. Nothing in Clause 13.4 or 13.5 shall prejudice Aventis Pharma's right to damages in respect of any breach of this Agreement by Scynexis.

13.8. Aventis Pharma may terminate this Agreement forthwith by giving Scynexis immediate written notice of termination if either of the following events occur:

13.8.1. an order is made or a resolution passed for the winding up of Scynexis (other than for the purpose of a solvent scheme of reconstruction or amalgamation); or

13.8.2. a liquidator is appointed in respect of the assets and business of Scynexis.

14. Consequences of Expiry Or Termination

Consequences of Expiry according to provisions of section 13.1 of this Agreement

14.1. On expiry of this Agreement in accordance with the provisions of section 13.1 of this Agreement, Scynexis shall have a fully paid-up, royalty free, world-wide, exclusive licence in the field of treatment, prophylaxis and prevention of Human Immunodeficiency Virus (HIV) and/or Acquired Immune Deficiency Syndrome (AIDS) and a non-exclusive license outside this field, with the right to grant sub-licences, under the Know-How and the Ancillary Rights to research, develop, manufacture, import, market, use, sell, and supply products and to perform any other act that would infringe the Know How or the Ancillary Rights, were it not for this licence.

Consequences of Expiry or Termination

14.2. On expiry or termination of this Agreement for any reason:-

14.2.1. Scynexis shall within [*] of the date of termination or expiry pay to Aventis Pharma all sums due to it under this Agreement in respect of the period up to and including the date of termination including any royalties payable on Products, and/or Combination Products and/or Compounds sold prior to or on the date of termination;

14.2.2. any rights or remedies of each of the parties arising from any breach of this Agreement shall continue to be enforceable;

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

14.2.3. the following provisions shall continue in full force and effect: Clause 1 (Definitions), Clause 6 (Payment Terms) in respect of Royalties payable pursuant to Clause 14.2.1, Clause 12 (Confidential Material), Clause 14 (Consequences of Expiry or Termination) and Clause 15 (General).

14.3. On termination of this Agreement by Scynexis without cause pursuant to Clause 13.3, the licence granted under Clause 2.1 shall terminate automatically and Scynexis shall, and shall procure that its Affiliates and Sub-Licensees shall, forthwith cease all activities requiring a licence under this Agreement save that Scynexis, its Affiliates and the Sub-Licensees shall be entitled to sell and dispose of any stock of finished Products or Compounds in existence on or prior to the date of termination of the Agreement.

14.4. On termination of this Agreement by Aventis Pharma pursuant to Clause 13.4 or Clause 13.8:

(i) the license granted under Clause 2.1 shall terminate automatically and Scynexis shall, and shall procure that its Affiliates, forthwith cease all activities requiring a licence under this Agreement save that Scynexis and its Affiliates shall be entitled to sell and dispose of any stock of Products or Compounds in existence on or prior to the date of termination of the Agreement; and

(ii) in the event that Scynexis has sublicensed the Product to Sub-Licensee(s), Aventis Pharma shall grant to each Sub-Licensee a licence on terms equivalent to the sub-licence agreement between such Sub-Licensee and Scynexis in respect of the Patents, Ancillary Rights and Know How, provided however that such Sub-Licensee is acceptable to Aventis Pharma (such acceptance not to be unreasonably withheld), and provided further that the terms of the sub-license between such Sub-Licensee and Scynexis are not less favourable to Aventis Pharma than the licence terms contained in the present Agreement.

15. General

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

15.1. In this Agreement:-

15.1.1. “including” means including without limitation; “include” and “includes” shall be construed accordingly.

15.1.2. the headings are for convenience only and shall not affect the interpretation of this Agreement.

15.2. Any notice or other communication given under this Agreement shall be in writing in English and shall be:-

15.2.1. delivered by hand or by courier ; or

15.2.2. sent by pre-paid airmail with return receipt; or

15.2.3. sent by fax (confirmed by pre-paid airmail placed in the post on or on the day after the date of transmission);

to the address or the fax number set out below or to such other address or fax number as may from time to time be notified to the other party in writing.

Notices to Scynexis:

Director of Business Development
SCYNEXIS, Inc.
Post Office Box 12878
Research Triangle Park
North Carolina, 27709-2878
USA
Fax : +1 919 544 8697

General Counsel
SCYNEXIS, Inc.
Post Office Box 12878
Research Triangle Park
North Carolina, 27709-2878
USA
Fax : +1 919 544 8697

Notices to Aventis Pharma:

Senior Director
Corporate Development
Technology and Licensing &
Alliances

Copy to:

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Aventis Pharma.
Centre de Recherche de Paris
13, Quai Jules Guesde
F- 94400 Vitry-sur-Seine

France
Fax: +33 1 58 93 33 48

Copy to:

Legal Department
Sanofi-Aventis
174 Avenue de France
75013 Paris
Fax : 33 (1) 53 77 49 77

15.3. Any notice given under Clause 15.2 shall be deemed to have been received:-

15.3.1. on the date of delivery if delivered by hand or by courier prior to 5:00 pm on a business day, otherwise on the next business day following the date of delivery;

15.3.2. on the fourth business day from and including the day of posting in the case of pre-paid airmail; or

15.3.3. on the next business day following the day of transmission in the case of facsimile (confirmed by pre-paid first class post/airmail as provided above).

15.4. In Clause 15.3 business day shall mean a day that is not Saturday, Sunday and/or a public holiday in the country to which the notice is sent.

15.5. If any provision of this Agreement is declared by any judicial or other competent authority to be void, voidable, illegal or otherwise unenforceable, the parties hereto shall negotiate in good faith to modify this agreement so as to effect the original intent of the parties as closely as possible in mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible. The judicial or other competent authority making such determination shall have the power to limit, construe or reduce the duration, scope, activity and/or area of such provision, and/or delete specific words or phrases as necessary to render, such provision enforceable.

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15.6. Failure or delay by either party to exercise any right or remedy under this Agreement shall not be deemed to be a waiver of that right or remedy, or prevent it from exercising that or any other right or remedy on that occasion or on any other occasion.

15.7. This Agreement and all its Appendixes attached constitute the entire agreement and understanding of the parties relating to the subject matter of this Agreement and supersedes all prior oral or written agreements, representations, understandings or arrangements between the parties relating to the subject matter of this Agreement, including the provisions of the Option Agreement with effect as of the Execution Date.

15.8. No provision of this Agreement shall operate to:-

15.8.1. exclude any provision implied into this Agreement by [*] law and which may not be excluded by [*] law; or

15.8.2. limit or exclude any liability, right or remedy to a greater extent than is permissible under [*] law including in relation to (1) death or personal

injury caused by the negligence of a party to this Agreement or (2) fraudulent misrepresentation or deceit.

15.9. No change shall be made to this Agreement except in writing in the English language signed by the duly authorised representatives or directors of both parties.

15.10. Nothing in this Agreement shall create, evidence or imply any agency, partnership or joint venture between the parties.

15.11. Neither party shall act or describe itself as the agent of the other party nor shall either party have or represent that it has any authority to make commitments on behalf of the other.

15.12. Neither party shall assign, delegate or transfer this Agreement, other than to an Affiliate or successor, without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, each

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Party may assign, delegate or transfer this Agreement, or any of its rights or obligations relating thereto, in connection with the sale of all or substantially all of the assets to which this Agreement relates.

15.13. Scynexis shall not assign or transfer this Agreement to a third party unless such third party agrees to pay to Aventis Pharma (to the extent not already paid by Scynexis) the milestone payments and royalties set out in Clause 5.

15.14. Subject to the final sentence of this Clause, neither party shall, and shall procure that its Personnel, its Affiliates and the Personnel of its Affiliates shall not, make any announcement, or comment upon, or originate any publicity, or otherwise provide any information to any third party (other than its legal advisors or — in the case of Scynexis — its current or potential investors) concerning this Agreement including the existence of this Agreement, the terms of this Agreement, the performance of this Agreement and/or any dispute or disagreement relating to this Agreement, without the prior written consent of the other party except if required by law. Any detailed disclosures by Scynexis to current or potential investors shall be subject to appropriate confidentiality arrangements substantially similar to those contained herein.

15.15. If and when requested by Scynexis, the parties shall jointly develop a mutually satisfactory press release to be released by each of them.

15.16. If the performance by a party of its obligations under this Agreement (other than an obligation to pay any sums due under this Agreement) is prevented, restricted, delayed or interfered with by any circumstances beyond the reasonable control of that party, its licensees, contractors and subcontractors, then that party shall, upon giving prompt notice to the other party specifying the circumstances and obligations concerned, be excused from such performance to the extent of such prevention, restriction, delay or interference.

15.17. [*] and any legislation amending or replacing shall not apply in relation to any part of this Agreement or any agreement, arrangement, understanding liability or obligation arising under or in connection with this Agreement.

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15.18. This Agreement will be interpreted and construed in accordance with the laws of [*] (excluding its choice of law rules). Any dispute, controversy or difference arising between the parties out of, or in relation to, or in connection with this Agreement, or any breach of this Agreement which cannot be settled between the parties within [*] on an amicable basis, shall be finally settled by the [*].

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AGREED by the parties through their duly authorised representatives on the date written at the top of the first page of this Agreement:

For and on behalf of **Aventis Pharma S.A.**

Signed: /s/ Jean Claude MULLER
Full Name: Jean Claude MULLER
Job Title: Duly Authorized

Signed: /s/ Francois CHAMBON
Full Name: Francois CHAMBON
Job Title: Duly Authorized

For and on behalf of **SCYNEXIS, Inc.**

Signed: /s/ Yves RIBEILL
Full Name: Yves RIBEILL
Job Title: CEO & President

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Appendix I

Delivered Documents

[*]

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Appendix II

Patents

File # [*]

Title: [*]

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status - Event [W]	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

File # [*]

Title: [*]

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

File # [*]
Title: [*]

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

File # [*]

Title: [*]

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

File # [*]

Title: [*].

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

File # [*]

Title:[*]

Inventors: [*]

Country	Type	Filing	Filing #	Publication #	Current status	Grant	Grant #	Expiry
[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]	[*]

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Appendix III

Stocks

Compound code # [*]

Project code # [*]

IUPAC Name # [*]

Batch number # [*]

Batch size # [*]

Batch Analysis: [*]

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Compound code # [*]

Project code # [*]

Batch number # [*]

Batch size # [*]

Chemical Assay [*]

Batch number # [*]

Batch size # [*]

Chemical Assay [*]

Chemical Structure:[*]

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Compound code # [*]

Project code # [*]

Batch number # [*]

Batch size # [*]

Chemical Assay [*]

Chemical Structure:[*]

Biotransformation Strain

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

HISTOLOGY SAMPLES

[*]

[*] = Certain confidential information contained in this document, marked by brackets, has been omitted and filed separately with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Appendix IV

Biotransformation Strain

[*]

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Exhibit 10.20

EXECUTION COPY

Guarantee Extension Agreement

This Guarantee Extension Agreement (this "Agreement") dated as of 5 March 2013 (the "Guarantee Extension Agreement Effective Date"), is made and entered into between Sanofi, a French Société Anonyme ("Sanofi") and Scynexis, Inc., a Delaware corporation ("Scynexis", together with Sanofi, the "Parties").

RECITALS

WHEREAS, SCYNEXIS and HSBC Bank USA, National Association ("HSBC") entered into a credit facility on April 9, 2010 in the total principal amount of USD 15,000,000 the "Facility");

WHEREAS, Sanofi and HSBC entered into that certain Stand-Alone First Demand Guarantee, dated as of April 9, 2010, as in effect at any given time (the "Guarantee") by which Sanofi guaranteed the Facility;

WHEREAS, the Parties entered into that certain Reimbursement Agreement; General Security Agreement dated as of April 9, 2010 (the "Security Agreement");

WHEREAS, the Parties entered into that certain Addendum dated April 9, 2010 (the "Addendum") whereby Scynexis agreed to use the proceeds of certain transactions to repay amounts owing to HSBC under the Facility under the conditions specified therein;

WHEREAS, Scynexis and HSBC contemplate amending the Facility to provide postponement of the Maturity Date (as defined in the Facility) of the Facility to 31 December 2014, by entering into that certain First Amendment to Facility, a final draft of which is attached hereto as Exhibit C (the "First Amendment to Facility", and collectively with the Facility as amended thereby, the "Amended Facility");

WHEREAS, Scynexis has requested that Sanofi amend and extend the Expiration Date of the Guarantee (as defined therein) to and including 30 January 2015;

WHEREAS, Sanofi is willing to amend and extend such Expiration Date of the Guarantee subject to: (i) receipt by Sanofi and Merial of the Observer Agreements (defined below) and, (ii) other terms hereunder;

WHEREAS, as a condition to and in consideration of the amendment and extension of the Guarantee, Sanofi requires that Scynexis enter into this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. CONDITIONS PRECEDENT

Sanofi shall procure extension of the Guarantee to 30 January 2015, in form and substance satisfactory to Sanofi and HSBC, no later than on 11 March 2013, close of business (New York time) and this Agreement shall become effective, provided all of the following conditions precedent are met:

A. Sanofi Board Observation Rights. Scynexis shall have fully executed and delivered to Sanofi that certain Board Observation Rights Agreement by and between Parties, substantially in the same form as the form attached hereto as Exhibit A, no later than on __ March 2013 (the "Sanofi Observer Agreement").

B. Merial Board Observation Rights. Scynexis shall have fully executed and delivered to Merial Limited ("Merial") that certain Board Observation Rights Agreement by and between Scynexis and Merial, substantially in the same form as the form attached hereto as Exhibit B, no later than on 6 March 2013 (the "Merial Observer Agreement", together with the Sanofi Observer Agreement, the "Observer Agreements").

C. Execution. Sanofi shall have received this Agreement duly executed and delivered by Scynexis no later than on 6 March 2013.

D. Fourth Amended and Restated Investors Rights Agreement. No later than on 7 March 2013, Scynexis shall have delivered to each of Merial and Sanofi an original copy fully executed by Scynexis and the relevant shareholders of a Fourth Amended and Restated Investor Rights Agreement (the "Fourth Amendment Agreement"), it being acknowledged and agreed that pdf signature pages shall be sufficient for purposes of this condition.

E. Absence of Default. As of 11 March 2013, no Default or Event of Default under the Facility or the Security Agreement and no GEA EOD (as defined below) under this Agreement shall have occurred or be continuing.

F. Representations and Warranties. All representations and warranties of Scynexis contained in the Security Agreement, in this Agreement, and in the Observer Agreements shall be true and correct in all respects with the same effect as though such representations and warranties had been made as of the Guarantee Extension Agreement Effective Date.

G. Additional Documents. Sanofi shall have received such other statements, opinions, certificates, documents, and information with respect to the matters contemplated by this Agreement, the Observer Agreements, the Fourth Amendment Agreement, the Security Agreement, the Guarantee, the Facility and/or the First Amendment to the Facility as Sanofi may reasonably request.

SECTION 2. COVENANTS

Until the later of (i) all obligations of Sanofi under or in connection with the Guarantee (whether current, future, actual or contingent) irrevocably terminating and (ii) Sanofi having been irrevocably indemnified (by cash payment) in full by Scynexis for all amounts Sanofi shall have paid (if any) under or in connection with the Guarantee, Scynexis covenants to Sanofi that:

A. Notice of HSBC Correspondence. Scynexis shall immediately forward any notice or correspondence from HSBC concerning either the Revolving Facility or the Term Facility (as defined in the Facility) other than mere interest rate fixing notices to Sanofi at the address listed in Section 5.B.

B. Notice of Insolvency. Scynexis will promptly provide notice to Sanofi at the address named in Section 5.B. upon occurrence of or anticipation of insolvency as contained in Section 7(f) of the Facility.

C. Financial Statements, Reports, Certificates. Scynexis shall deliver to Sanofi: (i) as soon as available, but in any event within 30 days after the end of each calendar month, a company prepared consolidated and consolidating balance sheet, income statement, and statement of cash flows covering Scynexis's operations during such period, in a form and substance reasonably acceptable to Sanofi and certified by a Responsible Officer; (ii) (a) as soon as available, but in any event within 45 days of the end of each fiscal quarter the consolidated balance sheet and related statements of operations, stockholders' equity and cash flows of Scynexis and its subsidiaries as of the end of and for such fiscal quarter, each prepared in accordance with GAAP, and (b) in the case of the financial statements referred to in the foregoing clause (a), a certification by the chief financial officer of Scynexis to the effect that such consolidated financial statements present fairly in all material respects the financial conditions and results of operations of Scynexis and its subsidiaries on a consolidated basis in accordance with GAAP, consistently applied (subject to normal year-end adjustments); (iii) as applicable, (a) as soon as available, but in any event within 60 days of the end of each fiscal semi-annual period the consolidated balance sheet and related statements of operations, stockholders' equity and cash flows of Scynexis and its subsidiaries as of the end of and for such fiscal semi-annual period, each prepared in accordance with GAAP, and (b) in the case of the financial statements referred to in the foregoing clause (a), a certification by the chief financial officer of Scynexis to the effect that such consolidated financial statements present fairly in all material respects the financial conditions and results of operations of Scynexis and its subsidiaries on a consolidated basis in accordance with GAAP, consistently applied (subject to normal year-end adjustments); (iv) as soon as available, but in any event within 150 days after the end of Scynexis's fiscal year, audited consolidated and consolidating financial statements of Scynexis prepared in accordance with generally acceptable accounting principles, consistently applied; (v) an annual budget, approved by Scynexis's Board of Directors, as soon as available but not later than 15 days after the

beginning of each fiscal year of Scynexis during the term of this Agreement; (vi) if applicable, copies of all statements, reports and notices sent or made available by Scynexis to any holders of Subordinated Debt; (vii) promptly upon receipt of notice thereof, a report of any legal actions pending or threatened against Scynexis or any subsidiary that could reasonably be expected to result in damages or costs to Scynexis or any subsidiary of $300,000 in aggregate or more; (viii) promptly upon receipt, each management letter prepared by Scynexis's independent certified public accounting firm regarding Scynexis's management control systems; and (ix) such budgets, sales projections, operating plans or other financial information generally prepared by Scynexis in the ordinary course of business as Sanofi may reasonably request from time to time.

a. In addition, Scynexis shall also furnish to Sanofi any other material information pertaining to: (i) the financial condition or prospects of Scynexis; (ii) the ability of Scynexis to service the HSBC credit under the Facility as amended from time to time; (iii) the terms of the Credit Agreement; (iv) the Collateral (as defined in the Security Agreement) granted to Sanofi by the Security Agreement; (v) the terms of the Security Agreement, (vi) the terms of the Guarantee, or (vii) any change in the status of items (i)-(vi) above.

b. At the same time as the financial statements required above for Scynexis are delivered, Scynexis shall deliver to Sanofi a certificate signed by Scynexis' chief financial officer to the effect that, with reference to the circumstances and facts then prevailing, no GEA EOD (as defined below), no Event of Default as defined in Section 12 of the Security Agreement, no failure to comply with the terms of the Addendum thereof dated 9 April 2010, no Event of Default as defined in Section 7 of the Amended Facility, and no event which, with the giving of notice or the lapse of time, or both, would constitute such an event of default, has occurred and is continuing (any such event of default or default, a "Credit Event").

c. As soon as possible, and in any event within three (3) calendar days after becoming aware of the occurrence of a Credit Event, Scynexis shall deliver to Sanofi a written statement of a Responsible Officer satisfactory to Sanofi setting forth details of the Credit Event, and the action which Scynexis has taken or proposes to take with respect thereto.

For the purposes of this Agreement, "Responsible Officer" shall mean each of the Chief Executive Officer, or the Chief Financial Officer of Scynexis. For the purposes of this Agreement, "Subordinated Debt" shall mean any debt incurred by Scynexis that is subordinated in writing to the debt owing by Scynexis to Sanofi on terms reasonably acceptable to Sanofi (and is identified as being such by Scynexis and Sanofi).

SECTION 3. REPRESENTATIONS AND WARRANTIES.

Scynexis represents and warrants to Sanofi that the following statements are true and correct in all material respects (and without limiting the foregoing, that the following sections A, C, D, F, G, J, K, and L shall be true and correct on the Guarantee Extension Agreement Effective Date, on the extension of the Guarantee, on each day the commitment fee is payable under Section 1.4 of the Amended Facility, on each repayment date under the Amended Facility, and on each interest payment date under the Amended Facility):

A. Corporate Power and Authority. Scynexis has all requisite power and authority to enter into this Agreement, the Fourth Amendment Agreement, and the Observer Agreements and to carry out the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the Amended Facility, and the Observer Agreements.

B. Authorization of Agreements. The execution and delivery of this Agreement, the Fourth Amendment Agreement, the First Amendment to the Facility, and the Observer Agreements by Scynexis has been duly authorized by all necessary action on the part of Scynexis and any relevant Scynexis shareholder.

C. Reaffirmation of Security Agreement Representations and Warranties. All representations and warranties contained in the Security Agreement, the First Amendment to the Facility, the Fourth Amendment Agreement and the Observer Agreements are true and correct in all material respects as of the Guarantee Extension Agreement Effective Date, as of the effective date of the extension of the Guarantee, and as of the effective date of the First Amendment to Facility.

D. No Conflict. The execution, delivery and performance of this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, and the Observer Agreements by Scynexis does not and will not: (i) violate: (A) any provision of any law or any governmental rule or regulation applicable to Scynexis; (B) the certificate or articles of incorporation or by-laws of Scynexis; or (C) any order, judgment or decree of any court or other agency or government binding on Scynexis; (ii) conflict with, result in a breach or constitute (with or without due notice or lapse of time or both) a conflict, breach or default under any Contractual Obligation of Scynexis, which such breach or default would give rise to any liability (or liabilities) and/or other payment obligation(s) of Scynexis (whether current, future, actual or contingent) of at least $300,000 in aggregate; or (iii) require any approval of stockholders, members or partners or any approval or consent of any Person under any Contractual Obligation of Scynexis, except for such approvals or consents which will be obtained on or before the Guarantee Extension Agreement Effective Date and disclosed to Sanofi.

For the purposes of this Agreement, "Person" shall mean any individual, corporation, limited liability company, partnership, joint venture, joint stock company, trust, land trust, business trust, employee benefit plan or trust, unincorporated organization or other entity. For the purposes of this Agreement, "Material Adverse Effect" shall mean (a) a material adverse change in, or a material adverse effect upon, the assets, properties, operations, business, condition, or prospects (financial or otherwise) of Scynexis, (b) a material impairment of the ability of any of Scynexis or an Affiliate of Scynexis to perform under any Loan Document (as defined in the Observer Agreements) to which it is a party, or (c) a material adverse effect upon the legality, validity, binding effect, or enforceability against Scynexis of any Loan Document to which it is a party. For the purposes of this Agreement, "Contractual Obligations" shall mean as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, lien, deed of trust or other instrument or arrangement (whether in writing or otherwise) and whether now existing or contingent on some future event to which such Person is a party or by which it or any of such Person's property is or may become bound.

E. No HSBC Correspondence. Scynexis has not received any notice or correspondence pertaining to, threatening, suggesting or stating that there has been or may have been an Event of Default or Default (as such terms are defined in the Facility) under the Facility.

F. Solvent; No Fraudulent Transfer. No event or circumstance contemplated by Section 7(f) of the Facility with respect to Scynexis has occurred and consummation of the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, and the Observer Agreements, will cause the occurrence of any such event or circumstance. No transfer of property is being made and no obligation is being incurred by Scynexis or any subsidiary in connection with the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, and the Observer Agreements with the intent or where the effect is to hinder, delay or defraud either present or future creditors of Scynexis or any subsidiary.

G. Outstanding Balance. Scynexis has provided to Sanofi a summary of the outstanding balance of both the Revolving Facility and the Term Facility as of the Guarantee Extension Agreement Effective Date.

H. Binding Obligation. This Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, and the Observer Agreements have been duly executed and delivered by Scynexis and this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, and the Observer Agreements are the legally valid and binding obligations of Scynexis, enforceable against Scynexis in accordance with their respective terms.

I. Absence of Default – Omnibus. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, or the Observer Agreements that would constitute an Event of Default or Default (as defined in the Facility).

J. Absence of Default – Security Agreement and Amended Facility. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, or the Observer Agreements that would constitute an Event of Default or Default under the Security Agreement or the Amended Facility.

K. Absence of Guarantee Extension Agreement Event of Default. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Agreement, the Fourth Amendment Agreement, the First Amendment to Facility, or the Observer Agreements that would constitute an Event of Default or Default under the Guarantee Extension Agreement.

SECTION 4. GUARANTEE EXTENSION AGREEMENT EVENTS OF DEFAULT

The following shall constitute Guarantee Extension Agreement Events of Default (each, a "GEA EOD") hereunder:

A. Any representation or warranty made (i) by Scynexis in this Guarantee Extension Agreement or any related document or in connection with the extension of the Guarantee or (ii) in any certificate, statement or report made in compliance with this Guarantee Extension Agreement shall prove to have been false in any respect when made, repeated, and deemed repeated.

B. Any covenant made by Scynexis in this Guarantee Extension Agreement or any related document or in connection with the extension of the Guarantee or made in compliance with this Guarantee Extension Agreement shall prove to have materially not have been complied with.

C. Any covenant made (i) by Scynexis in this Guarantee Extension Agreement or any related document or in connection with the extension of the Guarantee or (ii) in any certificate, statement or report made in compliance with this Guarantee Extension Agreement shall have proved to have been breached, provided that the following grace periods apply:

    a. Under Section 2.A. of this Agreement:

        i. Five (5) Business Days, where the correspondence does not relate to an Event of Default under Section 7 of the Facility,

        ii. Two (2) Business Days, where the correspondence does relate to an Event of Default under Section 7 of the Facility,

    b. Under Section 2.B. of this Agreement, there is no grace period,

    c. Under Section 2.C. of this Agreement, five (5) Business Days.

For the purposes of this Agreement, "Business Day" shall mean any day other than a Saturday, Sunday, or a day on which commercial banks are authorized or required to close in New York.

SECTION 5. MISCELLANEOUS

A. Governing Law. This Agreement shall be governed by and construed exclusively in accordance with the laws of the State of North Carolina, without giving effect to applicable principles of conflicts of laws thereof.

B. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made as of the date delivered or mailed if delivered in person, by telecopy, cable, telegram or telex, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties as follows:

if to Sanofi:

Sanofi
54 rue La Boétie
75008 Paris, France
Attention: Marie Debans; Corinne Cervantes; Alexander de Daranyi

with a copy to:

Life Sciences Law
870 Martin Luther King, Jr. Blvd.
Chapel Hill, NC 27514
Attention: Sheila Mikhail

if to Scynexis:

3501 C Tricenter Boulevard
Durham, North Carolina 27713
Attn: Yves Ribeill, Ph.D
President and Chief Executive Officer
Tel: (919) 544-8600
Fax: (919) 544-8697

C. Terms Defined. As used herein, capitalized terms shall have the meanings given to them in the Facility, as in effect at any given time, except as otherwise defined herein, or as the context otherwise requires, provided that, the definitions of Preferred Stock and Holders shall have the meanings given to them in the Fourth Amendment Agreement.

D. Waiver. On or prior to the Guarantee Extension Agreement Effective Date, and contingent upon Scynexis fully executing and delivering that certain Certificate attached to the HEOS Waiver (as defined below), Sanofi has waived in writing, all of its rights in connection with HEOS ® information management software, together with all parts, accessories, attachments, replacements thereof and additions thereto other than any

hardware including any tangible Collateral (as defined in the Security Agreement) in which such elements have been uploaded in the past (collectively, the "HEOS Software" the waiver referred to as the "HEOS Waiver"), as further described in the HEOS Waiver, attached hereto as Exhibit D. Any inaccuracy of any representation or warranty and any breach of any covenant hereunder arising in connection with the HEOS Software shall not constitute a breach hereunder to the extent waived in the HEOS Waiver.

E. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original agreement, but all of which together shall constitute one and the same agreement.

F. Entire Agreement. This Agreement, and the terms and provisions hereof, constitute the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous amendments or understandings with respect to the subject matter hereof; whether express or implied, oral or written.

G. Severability. In case any provision in this Agreement shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

H. Further Assurances. The Parties each, at any time or from time to time shall execute and deliver or cause to be executed and delivered such further assurances, instruments, consents, waivers, or documents as may be reasonably necessary to fulfill the terms and conditions of this Agreement. The responsible party shall promptly cure any defects in the execution and delivery of the documents evidencing the granting of the board observer rights and immediately execute and deliver to the other Party all such other and further instruments as may be reasonably required from time to time in order to satisfy or comply with the covenants and agreements made in this Agreement.

I. Specific Performance. Irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with the terms hereof, and the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

J. Venue. SCYNEXIS HEREBY IRREVOCABLY AGREES THAT ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY SHALL BE BROUGHT EXCLUSIVELY IN THE FEDERAL AND STATE COURTS LOCATED IN THE STATE OF NORTH CAROLINA AND HEREBY EXPRESSLY SUBMITS TO THE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS FOR THE

PURPOSES THEREOF AND EXPRESSLY WAIVES ANY CLAIM OF IMPROPER VENUE AND ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM. SCYNEXIS HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF THE AFOREMENTIONED COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO ITS ADDRESS SET FORTH IN SECTION 5.B. OF THIS AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE 10 DAYS AFTER SUCH MAILING.

[SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Scynexis and Sanofi have caused this Agreement to be executed by their respective duly authorized agents or officers, to be effective as of the Effective Date.

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Name: Yves Ribeill
Title: President and CEO

SANOFI

By: /s/ Jerome Contamine
Name: Jerome Contamine
Title: Executive Vice President, Chief Financial Officer

Exhibit A

Sanofi Board Observation Rights Agreement

BOARD OBSERVATION RIGHTS AGREEMENT

This Board Observation Rights Agreement (this "Agreement") is made and entered into as of 5 March 2013 (the "Effective Date") by and between Sanofi, a French Société Anonyme ("Sanofi"), and Scynexis, Inc,, a Delaware corporation ("Scynexis", together with Sanofi, the "Parties").

RECITALS

WHEREAS, Sanofi and HSBC Bank USA, National Association ("HSBC") entered into that certain Stand-Alone First Demand Guarantee, dated as of April 9, 2010, as subsequently amended (the "Guarantee"), whereby Sanofi guaranteed the loan;

WHEREAS, the Parties entered into that certain Reimbursement Agreement; General Security Agreement dated as of April 9, 2010 (the "Security Agreement");

WHEREAS, Scynexis has requested that Sanofi amend and extend the Expiration Date of the Guarantee (as defined therein) to and including 30 January 2015;

WHEREAS, Sanofi is willing to amend and extend the Expiration Date of the Guarantee, subject to the terms of that certain Guarantee Extension Agreement dated as of 5 March 2013, by and between Parties (the "GEA");

WHEREAS, in consideration of the amendment and extension of the Guarantee, Sanofi requires that Scynexis obtain all necessary consents to grant and shall subsequently grant Sanofi and Merial Limited ("Merial") board observation rights;

WHEREAS, Merial is the Animal Health Division of Sanofi;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. RIGHTS GRANTED

As consideration for the amendment and extension of the Guarantee, Scynexis hereby grants Sanofi the following rights:

A. Additional Observer Rights. In addition to the contractual board observer rights Sanofi shall be entitled to in Section 1.B. below, Sanofi shall be entitled to receive and Scynexis shall furnish: (a) nonpublic financial information about Scynexis; (b) the same financial information as set forth in Sections 3.1(a), (b) and (c) of that certain Fourth Amended and Restated Investor Rights Agreement of Scynexis dated as of 5 March 2013 (the "Fourth Amended and Restated Investor Rights Agreement"); and (c) inspection rights equivalent to the rights set out in Section 3.2 of the Fourth Amended and Restated Investor Rights Agreement.

B. Sanofi Observer. Until the later of (i) all obligations of Sanofi under or in connection with the Guarantee (whether current, future, actual or contingent) irrevocably terminating and (ii) Sanofi having been irrevocably indemnified (by cash payment) in full by Scynexis for all amounts Sanofi shall have paid (if any) under or in connection with the Guarantee, Scynexis shall invite Sanofi, and Sanofi shall have the right, but not the obligation, to designate one (1) individual who shall be reasonably acceptable to Scynexis, which consent shall not be unreasonably withheld, conditioned, or delayed (the "Sanofi Observer") to attend in a nonvoting observer capacity all meetings of the Board of Directors of Scynexis (the "Scynexis Board"), provided that, Sanofi will exercise reasonableness when deciding whether to send such Sanofi Observer to any meeting of the Scynexis Board taking into consideration available meeting space, and in connection therewith, Scynexis shall give the Sanofi Observer copies of all notices, minutes, consents and other materials, financial or otherwise, which Scynexis provides to the Scynexis Board; provided, however, that Scynexis reserves the right to exclude the Sanofi Observer from access to any material or meeting or portion thereof if Scynexis believes upon advice of counsel that such exclusion is reasonably necessary to preserve the attorney-client privilege between Scynexis and its counsel, to protect highly confidential information, or if the information relates to a transaction or arrangement with a third party whose business is competitive with the business of Sanofi or its affiliates and the Scynexis Board reasonably determines that it is in the best interest of Scynexis to withhold such information from Sanofi Observer; provided that such exclusion of the Sanofi Observer is to the minimum extent required to preserve the attorney-client privilege, to protect highly confidential information, or to protect competitive third parties interests, as applicable.

C. Confidentiality. Sanofi Observer agrees to use, and to use the same degree of care that Sanofi Observer uses to protect its own confidential information and to keep confidential any information furnished to it pursuant to Sections 3.1 and 3.2 of the Fourth Amended and Restated Investor Rights Agreement that Scynexis identifies as being confidential or proprietary (so long as such information is not in the public domain), except that Sanofi Observer may disclose such proprietary or confidential information to any subsidiary, affiliate or parent of Sanofi as long as such subsidiary, affiliate or parent is advised of the confidentiality provisions of this Section 1.C. Sanofi Observer shall have no obligations of confidentiality or non-use with respect to information (i) at such time as it enters the public domain through no fault of Sanofi Observer; (ii) that is communicated to it by a third party free of any obligation of confidentiality to Scynexis known to Sanofi Observer; or (iii) that is developed by Sanofi Observer or its agents independently of and without reference to any confidential information communicated by Scynexis. Without limiting the foregoing,

the Sanofi Observer may disclose all information provided to the Sanofi Observer in connection with the Sanofi Observer's rights under this Agreement to Sanofi and to any subsidiary, parent or affiliate of Sanofi, provided that, Sanofi Observer may not disclose any information provided to it that Scynexis identifies as being confidential or proprietary (unless the addressee of the disclosure is advised of the confidentiality provisions of this Section 1.C.), except to the extent required to be disclosed by law, court order, or regulatory process, (but solely to the extent such information has not otherwise been disclosed by Scynexis to Sanofi's shareholders as a result of its ongoing business relationship). Nothing in this Agreement shall prevent disclosure to any stock exchange, subsidiary, affiliate, parent, attorney, tax authority, financial, antitrust, trade or life science regulator, auditor, or accountant of Sanofi or of any subsidiary thereof. Sanofi and the Sanofi Observer shall have no fiduciary duty, including, without limitation, a duty of loyalty or care, to Scynexis or any shareholder of the Company, under Delaware law or otherwise, with respect to or arising from Sanofi's and the Sanofi Observer's rights and position as a board observer or receipt of information from Scynexis. Notwithstanding any other provision in this Agreement, the obligation of confidentiality and non-use of this Section 1.C. shall only apply to information which in the reasonable judgment of Scynexis and Sanofi from content and circumstances is confidential.

D. Termination. The rights described in this Agreement shall terminate and be of no further force or effect upon the later of: (a) the first date that Sanofi and Sanofi's affiliates no longer hold any shares of Scynexis's stock (or shares of Scynexis's stock issued upon conversion thereof) or (b) Sanofi no longer has any obligations under the Guarantee and Scynexis no longer has any obligations under the Security Agreement. In addition, Sanofi shall have the right to replace or terminate Sanofi Observer any time, without prior notice to Scynexis, and without cause. The confidentiality provision of this Agreement shall survive any termination for five (5) years.

SECTION 2. REPRESENTATIONS AND WARRANTIES

Scynexis represents and warrants to Sanofi as of the Effective Date that the following statements are true and correct in all material respects:

A. Corporate Power and Authority. Scynexis has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement.

B. Authorization of Agreements. The execution and delivery of this Agreement by Scynexis has been duly authorized by all necessary action on the part of Scynexis.

C. Necessary Consents. All necessary consents, approvals, waivers, instruments, amendments, registrations, and authorizations of all governmental authorities and other Persons, including, without limitation, the Scynexis Board and shareholders of Scynexis, in connection with this Agreement have been obtained.

D. No Conflict. The execution, delivery and performance of this Agreement by Scynexis does not and will not: (i) violate: (A) any provision of any law or any governmental rule or regulation applicable to Scynexis; (B) the certificate or articles of incorporation or partnership agreement or other agreements by which Scynexis is bound, other constitutive documents or by-laws of the Scynexis; or (C) any order, judgment or decree of any court or other agency or government binding on the Scynexis; (ii) conflict with, result in a breach or constitute (with or without due notice or lapse of time or both) a conflict, breach or default under any Contractual Obligation of Scynexis, except to the extent such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect, or has otherwise been specifically waived by Sanofi, in writing; or (iii) require any approval of stockholders, directors, members or partners or any approval or consent of any Person under any Contractual Obligation of Scynexis, except for such approvals or consents which will be obtained on or before the Effective Date and disclosed to Sanofi, and except for any such approvals or consents the failure of which to obtain will not have a Material Adverse Effect.

For the purposes of this Agreement, "Person" shall mean any individual, corporation, limited liability company, partnership, joint venture, joint stock company, trust, land trust, business trust, employee benefit plan or trust, unincorporated organization or ether entity. For the purposes of this Agreement, "Material Adverse Effect" shall mean (a) a material adverse change in, or a material adverse effect upon, the assets, properties, operations, business, or condition (financial or otherwise) of Scynexis, (b) a material impairment of the ability of Scynexis or an affiliate of Scynexis to perform under any Loan Document (as defined below) to which it is a party, or (c) a material adverse effect upon the legality, validity, binding effect, or enforceability against Scynexis of any Loan Document to which it is a party. For the purposes of this Agreement, "Contractual Obligations" shall mean as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument or arrangement (whether in writing or otherwise) to which such Person is a party or by which it or any of such Person's property is bound. For the purposes of this Agreement, "Loan Documents" shall mean the Security Agreement, the GEA, that Credit Agreement by and between HSBC and Scynexis, dated as of April 9, 2010 (the "Credit Agreement"), as in effect at any given time, that certain Board Observation Rights Agreement, by and between Merial and Scynexis, dated as of __ March 2013 (the "Merial BORA") and this Agreement.

E. Binding Obligation. This Agreement has been duly executed and delivered by Scynexis and the Agreement is the legally valid and binding obligation of Scynexis, enforceable against Scynexis in accordance with its respective terms.

F. Absence of Default. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Agreement that would constitute an Event or Default or Default (as defined in the Facility).

SECTION 3. MISCELLANEOUS

A. Governing Law. This Agreement shall be governed by and construed exclusively in accordance with the laws of the State of North Carolina, without giving effect to applicable principles of conflicts of laws thereof.

B. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made as of the date delivered or mailed if delivered in person, by telecopy, cable, telegram or telex, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties as follows:

if to Sanofi:

Sanofi
54 rue La Boétie
75008 Paris, France
Attention: Marie Debans; Corinne Cervantes; Alexander de Daranyi

with a copy to:

Life Sciences Law
870 Martin Luther King, Jr. Blvd.
Chapel Hill, NC 27514
Attention: Sheila Mikhail

if to Scynexis:

3501C Tricenter Boulevard
Durham, North Carolina 27713
Attn: Yves Ribeill, Ph.D.
President and Chief Executive Officer
Tel: (919) 544-8600
Fax: (919) 544-8697

C. Indemnity. Without prejudice to the provisions of Section 1.C. and without creating any implication that observer owes any fiduciary duties of any kind, including, without limitation, a duty of loyalty or care, to Scynexis, its shareholders, its affiliates and other related Persons or any other person or entity, Scynexis shall, to the maximum extent legally permissible, indemnify, defend and hold harmless each and every person who may serve or who has served at any time as a Sanofi Observer against any and all losses, costs, expenses and liabilities of any type, kind or nature, including, without limitation, counsel fees and expenses, judgments, fines, excise taxes, penalties and settlement payments, or other costs, incurred by or imposed upon such person in connection with any threatened, pending or completed action, suit or proceeding, whether in law or in equity, in which he or she may become involved as a result of, by virtue of being a Sanofi Observer, or by reason of his or her service in such capacity.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Section 3.C. shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Section 3.C. which adversely affects the right of an indemnified person under this Section 3.C. shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of Sanofi.

D. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original agreement, but all of which together shall constitute one and the same agreement.

E. Entire Agreement. This Agreement, and the terms and provisions hereof, constitute the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous amendments or understandings with respect to the subject matter hereof, whether express or implied, oral or written.

F. Severability. In case any provision in this Agreement shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

G. Further Assurances. The Parties each, at any time or from time to time, shall execute and deliver or cause to be executed and delivered such further assurances, instruments, consents, waivers, or documents as may be reasonably necessary to fulfill the terms and conditions of this Agreement. The responsible party shall promptly cure any defects in the execution and delivery of the documents evidencing

the granting of the board observer rights and immediately execute and deliver to the other Party all such other and further instruments as may be reasonably required from time to time in order to satisfy or comply with the covenants and agreements made in this Agreement.

H. Specific Performance. Irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with the terms hereof, and the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

I. Venue. SCYNEXIS HEREBY IRREVOCABLY AGREES THAT ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY SHALL BE BROUGHT EXCLUSIVELY IN THE COURTS OF THE STATE OF NORTH CAROLINA AND HEREBY EXPRESSLY SUBMITS TO THE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS FOR THE PURPOSES THEREOF AND EXPRESSLY WAIVES ANY CLAIM OF IMPROPER VENUE AND ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM. SCYNEXIS HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF THE AFOREMENTIONED COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO ITS ADDRESS SET FORTH IN SECTION 3.B. OF THIS AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE 10 DAYS AFTER SUCH MAILING.

[**SIGNATURE PAGE FOLLOWS**]

IN WITNESS WHEREOF, Scynexis and Sanofi have caused this Agreement to be executed by their respective duly authorized agents or officers, to be effective as of the Effective Date.

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Name: Yves Ribeill
Title: President and CEO

SANOFI

By: /s/ Jérôme Contamine
Name: Jérôme Contamine
Title: Executive Vice President, Chief Financial Officer

Exhibit B
Merial Board Observation Rights Agreement

BOARD OBSERVATION RIGHTS AGREEMENT

This Board Observation Rights Agreement (this "Agreement") is made and entered into as of 8 March 2013 (the "Effective Date") by and between Merial Limited, a company domesticated in Delaware ("Merial"), and Scynexis, Inc., a Delaware corporation ("Scynexis", together with Merial, the "Parties").

RECITALS

WHEREAS, Sanofi, a French Société Anonyme ("Sanofi"), and HSBC Bank USA, National Association ("HSBC") entered into that certain Stand-Alone First Demand Guarantee, dated as of April 9, 2010, as subsequently amended (the "Guarantee"), whereby Sanofi guaranteed the loan;

WHEREAS, Scynexis has requested that Sanofi amend and extend the Expiration Date of the Guarantee (as defined therein) to and including 30 January 2015;

WHEREAS, Sanofi is willing to amend and extend the Expiration Date of the Guarantee, subject to the terms of that certain Guarantee Extension Agreement, dated as of __ March 2013, by and between the Parties (the "GEA");

WHEREAS, in consideration of the amendment and extension of the Guarantee, Sanofi requires that Scynexis obtain all necessary consents to grant and shall subsequently grant Sanofi and Merial board observation rights;

WHEREAS, Merial is the Animal Health Division of Sanofi;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

SECTION 1. RIGHTS GRANTED

As consideration for the amendment and extension of the Guarantee, Scynexis hereby grants Merial the following rights:

A. Additional Observer Rights. In addition to the contractual board observer rights Merial shall be entitled to in Section 1.B. below, Merial shall be entitled to receive and Scynexis shall furnish: (a) nonpublic financial information about Scynexis; (b) the same financial information as set forth in Sections 3.1(a), (b) and (c) of that certain Fourth Amended and Restated Investor Rights Agreement of Scynexis, dated as of March __ 2013 (the "Fourth Amended and Restated Investor Rights Agreement"); and (c) inspection rights equivalent to the rights set out in Section 3.2 of the Fourth Amended and Restated Investor Rights Agreement.

B. Merial Observer. Scynexis shall invite Merial, and Merial shall have the right, but not the obligation, to designate one (1) individual who shall be reasonably acceptable to Scynexis, during any period that a representative of Merial is not a member of the Board of Directors of Scynexis (the "Scynexis Board"), which consent shall not be unreasonably withheld, conditioned, or delayed (the "Merial Observer") to attend in a nonvoting observer capacity all meetings of the Scynexis Board, and in connection therewith, Scynexis shall give the Merial Observer copies of all notices, minutes, consents and other materials, financial or otherwise, which Scynexis provides to the Scynexis Board; provided, however, that Scynexis reserves the right to exclude the Merial Observer from access to any material or meeting or portion thereof if Scynexis believes upon advice of counsel that such exclusion is reasonably necessary to preserve the attorney-client privilege between Scynexis and its counsel, to protect highly confidential information, or if the information relates to a transaction or arrangement with a third party whose business is competitive with the business of Merial or its affiliates and the Scynexis Board reasonably determines that it is in the best interest of Scynexis to withhold such information from Merial; provided that such exclusion of the Merial Observer is to the minimum extent required to preserve the attorney-client privilege, to protect highly confidential information, or to protect competitive third parties interests, as applicable.

C. Confidentiality. Merial Observer agrees to use, and to use the same degree of care that Merial Observer uses to protect its own confidential information and to keep confidential any information furnished to it pursuant to Sections 3.1 and 3.2 of the Fourth Amended and Restated Investor Rights Agreement, that Scynexis identifies as being confidential or proprietary (so long as such information is not in the public domain), except that Merial Observer may disclose such proprietary or confidential information to any subsidiary, affiliate or parent of Merial as long as such subsidiary, affiliate or parent is advised of the confidentiality provisions of this Section 1.C. Merial Observer shall have no obligations of confidentiality or non-use with respect to information (i) at such time as it enters the public domain through no fault of Merial; (ii) that is communicated to it by a third party free of any obligation of confidentiality to Scynexis known to Merial Observer; or (iii) that is developed by Merial Observer or its agents independently of and without reference to any confidential information communicated by Scynexis. Without limiting the foregoing, the Merial Observer may disclose all information provided to the Merial Observer in connection with the Merial Observer's rights under the this Agreement to Merial, Sanofi and to any subsidiary, parent or affiliate of Sanofi, provided that, Merial Observer may not disclose any information provided to it that Scynexis identifies as being confidential or proprietary (unless the addressee of the disclosure is advised of the confidentiality provisions of this Section 1.C.), except to the extent required to be disclosed by law, court order or regulatory process, (but solely to the extent such

information has not otherwise been disclosed by Scynexis to Merial's shareholders as a result of its ongoing business relationship). Nothing in this Agreement shall prevent disclosure to any stock exchange, subsidiary, affiliate, parent, attorney, tax authority, financial, antitrust, trade or life science regulator, auditors, accountants of Merial or of any parent or subsidiary thereof. Merial and the Merial Observer shall have no fiduciary duty, including, without limitation, a duty of loyalty or care, to Scynexis or any shareholder of Scynexis, under Delaware law or otherwise, with respect to or arising from Merial's and the Merial Observer's rights and position as a board observer or receipt of information from Scynexis. Notwithstanding any other provision in this Agreement, the obligation of confidentiality and non-use of this Section 1.C. shall only apply to information which in the reasonable judgment of Scynexis and Merial from content and circumstances is confidential.

D. Termination. The rights described in this Agreement shall terminate and be of no further force or effect upon the later of: (a) the first date that Merial and Merial's affiliates no longer hold any shares of Scynexis's stock (or shares of Scynexis's stock issued upon conversion thereof) or (b) Sanofi no longer has any obligations under the Guarantee and Scynexis no longer has any obligations under the Security Agreement. In addition, Merial shall have the right to replace or terminate the Merial Observer any time, without prior notice to Scynexis, and without cause. The confidentiality provision of this Agreement shall survive any termination for five (5) years.

SECTION 2. REPRESENTATIONS AND WARRANTIES

Scynexis represents and warrants to Merial as of the Effective Date that the following statements are true and correct in all material respects:

A. Corporate Power and Authority. Scynexis has all requisite power and authority to enter into this Agreement and to carry out the transactions contemplated by this Agreement.

B. Authorization of Agreements. The execution and delivery of this Agreement by Scynexis has been duly authorized by all necessary action on the part of Scynexis.

C. Necessary Consents. All necessary consents, approvals, waivers, instruments, amendments, registrations, and authorizations of all governmental authorities and other Persons, including, without limitation, the Scynexis Board and shareholders of Scynexis, in connection with this Agreement have been obtained.

D. No Conflict. The execution, delivery and performance of this Agreement by Scynexis does not and will not: (i) violate: (A) any provision of any law or any governmental rule or regulation applicable to Scynexis; (B) the certificate or articles of incorporation or partnership agreement or other agreements by which Scynexis is bound, other constitutive documents or by-laws of the Scynexis; or (C) any order,

judgment or decree of any court or other agency or government binding on the Scynexis; (ii) conflict with, result in a breach or constitute (with or without due notice or lapse of time or both) a conflict, breach or default under any Contractual Obligation of Scynexis, except to the extent such conflict, breach or default could not reasonably be expected to have a Material Adverse Effect, or has otherwise been specifically waived by Sanofi in writing; or (iii) require any approval of stockholders, directors, members or partners or any approval or consent of any Person under any Contractual Obligation of Scynexis, except for such approvals or consents which will be obtained on or before the Effective Date and disclosed to Merial, and except for any such approvals or consents the failure of which to obtain will not have a Material Adverse Effect.

For the purposes of this Agreement, "Person" shall mean any individual, corporation, limited liability company, partnership, joint venture, joint stock company, trust, land trust, business trust, employee benefit plan or trust, unincorporated organization or other entity. For the purposes of this Agreement, "Material Adverse Effect" shall mean (a) a material adverse change in, or a material adverse effect upon, the assets, properties, operations, business, or condition (financial or otherwise) of Scynexis, (b) a material impairment of the ability of Scynexis or an affiliate of Scynexis to perform under any Loan Document (as defined in the First Amendment to Credit Agreement) to which it is a party, or (c) a material adverse effect upon the legality, validity, binding effect, or enforceability against Scynexis of any Loan Document to which it is a party. For the purposes of this Agreement, "Contractual Obligations" shall mean as to any Person, any provision of any security issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument or arrangement (whether in writing or otherwise) to which such Person is a party or by which it or any of such Person's property is bound. For the purposes of this Agreement, "Loan Documents" shall mean that certain Security Agreement by and between Sanofi and Scynexis, dated as of April 9, 2010 (the "Security Agreement"), the GEA, that certain Facility, by and between Scynexis and HSBC, dated as of April 9, 2010 (the "Facility"), as in effect at any given time, that certain Board Observation Rights Agreement, by and between Sanofi and Scynexis, dated as of March __ 2013 (the "Sanofi BORA") and this Agreement.

E. Binding Obligation. This Agreement has been duly executed and delivered by Scynexis and the Agreement is the legally valid and binding obligation of Scynexis, enforceable against Scynexis in accordance with its respective terms.

F. Absence of Default. No event has occurred and is continuing or will result from the consummation of the transactions contemplated by this Agreement that would constitute an Event of Default or Default (as defined in the Facility).

SECTION 3. MISCELLANEOUS

A. Governing Law. This Agreement shall be governed by and construed exclusively in accordance with the laws of the State of North Carolina, without giving effect to applicable principles of conflicts of laws thereof.

B. Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given or made as of the date delivered or mailed if delivered in person, by telecopy, cable, telegram or telex, or by registered or certified mail (postage prepaid, return receipt requested) to the respective parties as follows:

if to Merial:

Merial Limited
3239 Satellite Boulevard
Duluth, Georgia 30096
Attention: US General Counsel
Fax: 678-638-3960

with a copy to:

Life Sciences Law
870 Martin Luther King, Jr. Blvd.
Chapel Hill, NC 27514
Attention: Sheila Mikhail

if to Scynexis:

3501C Tricenter Boulevard
Durham, North Carolina 27713
Attn: Yves Ribeill, Ph.D
President and Chief Executive Officer
Tel: (919) 544-8600
Fax: (919) 544-8697

C. Indemnity. Without prejudice to the provisions of Section 1.C. and without creating any implication that observer owes any fiduciary duties of any kind, including, without limitation, a duty of loyalty or care, to Scynexis, its shareholders, its affiliates and other related Persons or any other person or entity, Scynexis shall, to the maximum extent legally permissible, indemnify, defend and hold harmless each and every person who may serve or who has served at any time as a Merial Observer against any and all losses, costs, expenses and liabilities of any type, kind or nature, including, without limitation, counsel fees and expenses, judgments, fines, excise taxes, penalties and settlement payments, or other costs, incurred by or imposed upon

such person in connection with any threatened, pending or completed action, suit or proceeding, whether in law or in equity, in which he or she may become involved as a result of, by virtue of being a Merial Observer, or by reason of his or her service in such capacity.

The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Section 3.C. shall be in addition to and not exclusive of all other rights to which any person may be entitled.

No amendment or repeal of the provisions of this Section 3.C. which adversely affects the right of an indemnified person under this Section 3.C. shall apply to such person with respect to those acts or omissions which occurred at any time prior to such amendment or repeal, unless such amendment or repeal was voted by or was made with the written consent of Merial.

D. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original agreement, but all of which together shall constitute one and the same agreement.

E. Entire Agreement. This Agreement, and the terms and provisions hereof, constitute the entire understanding and agreement between the Parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous amendments or understandings with respect to the subject matter hereof, whether express or implied, oral or written.

F. Severability. In case any provision in this Agreement shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

G. Further Assurances. The Parties each, at any time or from time to time, shall execute and deliver or cause to be executed and delivered such further assurances, instruments, consents, waivers, or documents as may be reasonably necessary to fulfill the terms and conditions of this Agreement. The responsible party shall promptly cure any defects in the execution and delivery of the documents evidencing the granting of the board observer rights and immediately execute and deliver to the other Party all such other and further instruments as may be reasonably required from time to time in order to satisfy or comply with the covenants and agreements made in this Agreement.

H. Specific Performance. Irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with the terms hereof, and the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

I. Venue. SCYNEXIS HEREBY IRREVOCABLY AGREES THAT ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY SHALL BE BROUGHT EXCLUSIVELY IN THE COURTS OF THE STATE OF NORTH CAROLINA AND HEREBY EXPRESSLY SUBMITS TO THE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS FOR THE PURPOSES THEREOF AND EXPRESSLY WAIVES ANY CLAIM OF IMPROPER VENUE AND ANY CLAIM THAT SUCH COURTS ARE AN INCONVENIENT FORUM. SCYNEXIS HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OF THE AFOREMENTIONED COURTS IN ANY SUCH SUIT, ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO ITS ADDRESS SET FORTH IN SECTION 3.B. OF THIS AGREEMENT, SUCH SERVICE TO BECOME EFFECTIVE 10 DAYS AFTER SUCH MAILING.

[**SIGNATURE PAGE FOLLOWS**]

IN WITNESS WHEREOF, Scynexis and Merial have caused this Agreement to be executed by their respective duly authorized agents or officers, to be effective as of the Effective Date.

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Name: Yves Ribeill
Title: President and CEO

MERIAL LIMITED

By: /s/ Jose Barella
Name: Jose Barella
Title: Global Chairman

Exhibit C
Final Draft of First Amendment to Facility

AMENDMENT NO. 1 dated as of March 8, 2013 to the credit agreement referred to below (this "Amendment No. 1"), between SCYNEXIS, INC., a corporation organized under the laws of Delaware (the "Company"), and HSBC BANK USA, NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States of America (the "Bank").

WHEREAS, the Company and the Bank are party to a credit agreement dated as of April 9, 2010 (the "Existing Credit Agreement"), providing for revolving credit loans and a term loan to be made by the Bank to the Company in an aggregate principal amount of up to $15,000,000; and

WHEREAS, the parties hereto desire to amend the Existing Credit Agreement in certain respects, including to extend the maturity thereof.

NOW, THEREFORE, the parties hereto hereby agree as follows:

Section 1. Definitions. Except as otherwise expressly defined herein, terms defined in the Existing Credit Agreement are used herein as defined therein.

Section 2. Amendments. Subject to the satisfaction of the conditions precedent specified in Section 4 below and to the accuracy, on the Effective Date (as defined below), of the representations and warranties contained in Section 3 below, the Existing Credit Agreement shall be amended as follows:

2.01 References. References in the Existing Credit Agreement to "this Letter Agreement" (and indirect references such as "hereunder", "hereby", "herein" and "hereof") shall be deemed to be references to the Existing Credit Agreement as amended hereby.

2.02 Extension of Maturity Date. Section 1.1(a) of the Existing Credit Agreement shall be amended by replacing the date "11 March, 2013" with the date "31 December, 2014".

2.03 Interest Period. Section 1.8(a) of the Existing Credit Agreement shall be amended by adding the words "(as to which term a quotation for the London interbank offered rate is published)" following the words "90 days".

Section 3. Representations and Warranties. The Company represents and warrants to the Bank that as of the date hereof both immediately prior to and after giving effect to this Amendment No. 1 (a) the representations and warranties of the Company set forth in the Existing Credit Agreement are true and correct on and as of the date hereof as if made on and as of the date hereof, as if each reference therein to "this Letter Agreement" included reference to this Amendment No. 1, and (b) no Event of Default or event which with notice or lapse of time or both would become an Event of Default, has occurred and is continuing.

Section 4. Conditions Precedent. As provided in Section 2 above, the amendments to the Existing Credit Agreement set forth in said Section 2 shall become effective subject to the satisfaction of the following conditions precedent on or before March 11, 2013 (the first date upon which such conditions shall have been satisfied herein referred to as the "Effective Date"):

4.01 Documents. The Bank shall have received the following documents, each of which shall be satisfactory to the Bank in form and substance:

(a) Amendment No. 1. An executed copy of this Amendment No. 1.

(b) Secretary's Certificate. A certificate from the Secretary of the Company certifying (i) as to the incumbency and signature of each officer authorized to execute and deliver on behalf of the Company this Amendment No. 1, (ii) that attached thereto are the true and complete copies of the Certificate of Incorporation and the By-Laws of the Company and all amendments thereto, and (iii) that attached thereto is a true and complete copy of the resolutions of the Board of Directors of the Company authorizing the execution, delivery and performance by the Company of this Amendment No. 1 (or, in each case, written confirmation that such documents have not changed since those delivered in connection with the most recent amendment of the Existing Credit Agreement).

(c) Confirmation and Extension of Guaranty. A letter from Sanofi (formerly, sanofi-aventis) extending the expiration date of the Guaranty to January 30, 2015 and confirming that the Guaranty remains in full force and effect after giving effect to this Amendment No. 1.

Section 5. Miscellaneous. Except as otherwise expressly set forth herein, nothing in this Amendment No. 1 shall be deemed to constitute an amendment or modification of any provision of the Existing Credit Agreement. This Amendment No. 1 may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment No. 1 by signing any such counterpart. Delivery of an executed counterpart of a signature page of this Agreement by facsimile transmission or other electronic transmission (i.e., a "pdf" or "tif") shall be effective as delivery of a manually executed counterpart hereof. This Amendment No. 1 shall be governed by, and construed in accordance with, the law of the State of New York.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. l to be duly executed and delivered as of the day and year first above written.

COMPANY

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Name: Yves Ribeill
Title: CEO & President

BANK

HSBC BANK USA, NATIONAL ASSOCIATION

By: /s/ Courtney Wright
Name: Courtney Wright
Title: Vice President
Multinationals #19791

Exhibit D
HEOS Waiver

WAIVER

REFERENCE IS HEREBY MADE to that certain Reimbursement Agreement; General Security Agreement by and between Sanofi, a French Société Anonyme ("Secured Party"), and Scynexis, Inc., a Delaware Corporation ("Debtor"), dated as of April 9, 2010 (the "Security Agreement"). Unless otherwised defined herein, capitalized terms used in this document shall have the meaning ascribed to them in the Security Agreement.

On the basis of the attached certificate executed by Charles F. Osborne, Jr. in his personal capacity, on or about the date hereof, (i) the Secured Party hereby irrevocably acknowledges and agrees that the Debtor has disposed of all rights in HEOS® information management software, together with all parts, accessories, attachments, replacements thereof and additions thereto other than any hardware including any tangible Collateral in which such elements have been uploaded in the past (collectively the "HEOS Software") and (ii) the Secured Party hereby irrevocably and unconditionally waives all licenses, rights (including, without limitation, any rights to sublicense the HEOS Software and any rights to assign or transfer its rights to the HEOS Software, regardless of any past or future event giving rise to an Event of Default (as defined in the Security Agreement) or otherwise) and claims (whether current, future, actual or contingent) the Secured Party has or may have with respect to the HEOS Software under or in connection with section 7 of the Security Agreement.

SANOFI

By: /s/ Jerome Contamine
Jérôme Contamine
Executive Vice President, Chief Financial Officer
Date: 8 March 2013

CONFIRMATION AND EXTENSION LETTER

To: **HSBC Bank USA, National Association,**
452 Fifth Avenue, New York, NY 10018, USA
(the "**Bank**")

11 March 2013

Dear Sirs,

1. The undersigned, Sanofi, a *société anonyme* incorporated in France with a share capital of Euro 2,652,685,918 with its registered office at 54 rue de la Boétie, 75008 Paris registered with the Paris Registry of Commerce and Companies *(Registre du Commerce et des Sociétés*) under number 395 030 844 (the "**Guarantor**") refers to a first demand guarantee agreement entitled *"Stand-Alone First Demand Guarantee*" (the "**Guarantee**") dated 9 April 2010 entered into with the Bank as beneficiary.

2. Unless otherwise defined herein, capitalised terms shall have the meaning ascribed to them in the Guarantee.

3. Whereas, the Bank and the Borrower have agreed to enter into, prior to 11 March 2013, an amendment agreement the purpose of which being to amend the Facility by postponing the Maturity Date (as defined in the Facility) thereof from 11 March 2013 to 31 December 2014 (such amendment agreement, the "**First Amendment to Credit Agreement**"**)**.

4. Sanofi hereby irrevocably confirms that, as from the moment the First Amendment to Credit Agreement shall have been executed by both the Bank and the Borrower and shall have become effective, (i) in article 3 of the Guarantee, the words "30 April 2013" immediately following the words "will remain in force until" and immediately preceding the words ", midnight Paris (France) time" shall be replaced by the words "30 January 2015" and (ii) accordingly, "**Expiration Date**" in the Guarantee shall mean 30 January 2015, midnight Paris (France) time.

5. Sanofi hereby agrees and confirms to the Bank, in so far as necessary, that, the obligations of Sanofi (whether current, future, actual or contingent) as set out in the Guarantee (as amended by section 4 hereof) will remain in full force and effect after the Borrower and the Bank having entered into the First Amendment to Credit Agreement, notwithstanding the Borrower and the Banking having done so.

6. For the avoidance of doubt, any reference in this letter to the Facility or the First Amendment to Credit Agreement, is made for reference purposes only and cannot in any case be interpreted as a waiver, by one or other of the parties to the Guarantee, of the independent nature of the Guarantor's commitment under the Guarantee.

7. For further avoidance of doubt, this confirmation letter shall not be construed as the issuance of a new guarantee within the meaning of articles L. 225-35 and R. 225-28 of the French Commercial Code.

8. This letter and any non-contractual obligations arising out of or in connection with it, is governed by and shall be construed in accordance with the laws of France. The courts falling within the territorial jurisdiction of the *Tribunal de Commerce* of Paris, France, are to have exclusive jurisdiction to settle any dispute arising out of or in connection with this letter and the Guarantee (including a dispute relating to the existence, validity or termination of this letter and/or of the Guarantee).

Executed in two (2) originals on 11 March 2013

For: **SANOFI**
By: Jérôme Contamine */s/ Jérôme Contamine*
Title: Executive Vice President, Chief Financial Officer

We acknowledge the receipt of this letter

For: **HSBC BANK USA, NATIONAL ASSOCIATION**
By:
Titles:

Exhibit 10.23

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

AMENDED and RESTATED

LICENSE, DEVELOPMENT &

COMMERCIALIZATION AGREEMENT

Between

SCYNEXIS, Inc.

And

ELANCO ANIMAL HEALTH,

a division of ELI LILLY AND COMPANY

This **AMENDED and RESTATED LICENSE, DEVELOPMENT & COMMERCIALIZATION AGREEMENT** (this "**Agreement**") is made and effective as of the last date of signature hereto (the "New Effective Date") by and between:

SCYNEXIS, Inc., a corporation organized and existing under the laws of the State of Delaware, United States of America, having its principal place of business at 3501C Tricenter Blvd., Durham, North Carolina, and its Affiliates (hereafter collectively referred to as **"Scynexis"**);

and

ELI LILLY AND COMPANY, a publicly-traded Indiana corporation, operating through its Elanco Animal Health division and having a principal place of business at 2500 Innovation Way N., Greenfield, Indiana 46140-9163 USA, and its Affiliates (hereafter collectively referred to as **"Elanco"**).

INTRODUCTION

A. WHEREAS, Scynexis and/or its Affiliate(s) control intellectual property that allow it to discover and develop innovative medicines over a broad range of therapeutic areas.

B. WHEREAS, Scynexis and/or its Affiliate(s) possess facilities, know-how, expertise and intellectual property rights pertaining to the design and development of parasiticides for companion, production and food chain animals.

C. WHEREAS, Elanco is engaged in the research, development, marketing, manufacturing and distribution of food chain and companion animal products including but not limited to animal health pharmaceutical and diagnostic products.

D WHEREAS, Elanco and Scynexis desire to collaborate to develop parasiticides for companion, production and food chain animals which Elanco would have the right to commercialize on an exclusive basis in the Field in the Territory,

E. WHEREAS, capitalized terms in this Agreement refer to defined terms in this Agreement.

F. WHEREAS, Scynexis and Elanco are parties to a certain LICENSE, DEVELOPMENT & COMMERCIALIZATION AGREEMENT dated (the "Prior Agreement"), which they now desire to amend and restate in its entirety.

G. WHEREAS, this Agreement shall supersede the Prior Agreement.

NOW THEREFORE, in consideration of the foregoing premises and the following mutual covenants and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. DEFINITIONS

Interpretation. In this Agreement, unless the context otherwise requires, a reference to:

(a) a paragraph, section, exhibit or schedule is a reference to a paragraph, section, exhibit or schedule to this Agreement;

(b) any document includes a reference to that document (and, where applicable, any of its provisions) as amended, novated, supplemented or replaced from time to time;

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

(c) a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

(d) the singular includes the plural and vice versa, except as it regards the definitions of Party and Parties;

(e) a Party, person or entity includes:

(ii) an individual, firm, company, corporation, association, trust, estate, state or agency of a state, government or government department or agency, municipal or local authority and any other entity, whether or not incorporated and whether or not having a separate legal personality; and

(iii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person or entity;

(f) one gender includes the other;

(g) "written" and in writing" include any means of reproducing words, figures or symbols in a tangible and visible form;

(h) a month or year is a reference to a calendar month or calendar year, as the case may be; and

(i) individuals or persons include companies and other corporations and vice versa.

"Affiliate" means any corporation or other entity that controls, is controlled by, or is under common control with a Party to this Agreement. A corporation or other entity will be regarded as in control of another corporation or entity if the latter corporation or entity owns or directly or indirectly controls more than fifty percent (50%) of the voting stock or other ownership interest of the former corporation or other entity, or if the latter corporation or entity possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the former corporation or other entity or the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the former corporation or other entity. An Affiliate will be bound under this Agreement in the same manner as if it were a Party hereto.

"Active Ingredient" means any chemical component that helps a product to perform its desired function in the Field and includes, without limitation, any [*] of such chemical component.

"Arising IP" means any Intellectual Property Rights arising through the performance of this Agreement.

"Background IP" means any Intellectual Property Rights relevant to the Field owned or controlled by a Party prior to the Effective Date, and/or (ii) a discovery or invention created or acquired outside the scope of this Agreement [*].

"Confidential Information" means, with respect to a Party, all data, results, and information of any type whatsoever, in any tangible or intangible form, including know-how, trade secrets, practices, techniques, methods, processes, inventions, developments, specifications, formulations, formulae, materials or compositions of matter of any type or kind (patentable or otherwise), software, algorithms, marketing reports, customer information, business or financial information, expertise, technology, test data including pharmacological, biological, chemical, biochemical, toxicological, and clinical test data, analytical and quality control data, stability data, studies and procedures of a Party that is disclosed to the other Party under this Agreement. Notwithstanding the foregoing, all [*], shall be deemed the Confidential Information [*].

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

"Control" means, with respect to any material, Information, or intellectual property right, that a Party owns or has a license to such material, Information, or intellectual property right and has the ability to grant to the other Party access, a license, or a sublicense (as applicable) to such material, Information, or intellectual property right on the terms and conditions set forth herein without violating the terms of any agreement or other arrangement with any Third Party existing at the time such Party would be first required hereunder to grant to the other Party such access, license, or sublicense.

"Development Candidate" shall mean a compound developed under a Development Program which is chosen by the Steering Committee to be presented to Elanco for consideration as an Elanco Compound.

"Development Plan" means a screening, early development project proposed by Elanco under this Agreement which describes, in broad terms, the parasite to be controlled and the applicable animal host (e.g. [*]).

"Development Program" means the work performed by Scynexis and Elanco and/or their respective Affiliate(s) in accordance with a Development Plan as revised from time to time by the Steering Committee.

"Dollar" or **"$"** means the lawful currency of the United States of America.

"Effective Date" means December 23, 2013.

"Elanco Arising IP" means (i) all Arising IP [*] or [*], and all Arising IP that are [*] and [*] and (ii) all Arising IP [*] or [*] or [*] pursuant to Section [*].

"Elanco Background IP" means the Elanco Test Materials and all Background IP of Elanco. For clarity, Elanco Background IP shall exclude any Background IP of any Third Party that becomes an Affiliate due to such Third Party's acquisition of Elanco except as provided in Section 11.16.

"Elanco Compound Families" means compounds [*].

"Elanco Compound" means a single Active Ingredient directly resulting from a Development Program that is selected by Elanco for further development for commercialization as a Product, and as to which [*] in accordance with Section [*].

"Elanco Know-How" shall mean all Know-How (excluding any published Elanco Patent Rights) that is (a) Controlled as of the Effective Date or thereafter during the Term by Elanco and is reasonably necessary or useful for the research, development, manufacture, use, importation or sale of the Elanco Compound(s) or Product(s) in the Field, including any such Know-How made by or on behalf of Elanco or sublicensees (other than by Scynexis or its Affiliates) in the course of performing Elanco's obligations or exercising Elanco's rights under this Agreement. For clarity, for purposes of this definition an Affiliate shall exclude any Third Party that becomes an Affiliate due to such Third Party's acquisition of Elanco except as provided in Section 11.16.

"Elanco Compound Patent Rights" means all Patent Rights with respect to Elanco Test Materials, Other Compounds, and Elanco Compound Families.

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

"Elanco Technology" means the Elanco Test Materials, Elanco Compound Families, Other Compounds, Elanco Patent Rights and Elanco Know-How.

"Elanco Test Materials" means the compounds provided to Scynexis from Elanco under this Agreement in either physical or virtual form. In the event that [*] or [*], Elanco shall notify Scynexis of the same within [*] and the Parties shall discuss whether or not to [*] the Agreement.

"Field" means all applications and uses of parasiticides for, in and/or on animals (companion or food), animal products, animal feed, human food, or the food chain, including but not limited to related systems or processes, amelioration, diagnosis, control, prevention, prophylaxis and/or treatment of pathogens, diseases, pests, parasites or sign(s) or symptom(s) related thereto.

"First Commercial Sale" of any Product means the first sale for use by an end-user customer of such Product, as applicable, in a country.

"First in the First New Class" means [*].

"GxP" means compliance with all relevant Regulatory Agency requirements for Good Clinical Practices (per FDA/CVM guidance "Good Clinical Practices: VICH GL9"), Good Laboratory Practices (per FDA/CVM regulation "21 CFR Part 58"), and Current Good Manufacturing Practices (per FDA/CVM regulation "21 CFR Part 211, 225 or 226").

"Intellectual Property Rights" means any and all Patent Rights, trademarks, trademark applications, copyrighted or copyrightable material, trade secrets and other intellectual property rights, as well as any Know-How or work result whether or not patentable, trademarkable, copyrightable or protectable as a trade secret.

"Know-How" shall mean any and all formulae, processes, trade secrets, technologies, know-how, inventions, improvements, discoveries and claims (including confidential data and Confidential Information), whether patentable or unpatentable, including, without limitation, synthesis, preparation, recovery and purification processes and techniques, control methods and assays, chemical data, toxicological and pharmacological data and techniques, clinical data, medical uses, product forms and product formulations and specifications.

"Net Sales" means, with respect to a Product, the gross amount invoiced by Elanco (including any Elanco Affiliate) or any sublicensee or successor in interest thereof to unrelated Third Parties (excluding any sublicensee) for Product sales in the Territory, less the following:

(a) Customary trade, quantity and cash discounts allowed;

(b) [*] discounts, refunds, rebates, chargebacks, retroactive price adjustments and similar allowances, limited to reasonable adjustments and allowances which effectively reduce the net selling price;

(c) Actual Product returns or allowances;

(d) [*];

(e) Allowance for [*];

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

(f) Any tax imposed on the sale, delivery or use of the Product, including, without limitation, sales, use, excise or value added taxes, but excluding any tax on income; and

(g) [*] deductions.

Such amounts will be determined from the books and records of Elanco, Elanco Affiliates and/or sublicensee(s) (as applicable), maintained in accordance with U.S. Generally Accepted Accounting Principles (also known as **"GAAP**"), or, in the case of sublicenses, such similar accounting principles, consistently applied. Elanco further agrees in determining such amounts, it will use Elanco's then-current standard procedures and methodology, including Elanco's then current standard exchange rate methodology for the translation of foreign currency sales into U.S. Dollars or, in the case of sublicensees, such similar methodology, consistently applied.

In the event the Product is sold together with one or more other product(s) at a single price (such combination is hereinafter referred to as a "Combination Product"), the Net Sales attributable to such Combination Product shall be calculated by multiplying the Net Sales (as defined above) of the Combination Product by the fraction A/(A+B), where A is the weighted average sale price of the Product in such calendar quarter when sold separately and B is the weighted average sale price of the other product(s) sold separately in finished form in such calendar quarter.

In the event that the weighted average sale price of the Product can be determined but the weighted average sale price of the other product(s) cannot be determined, Net Sales shall be calculated by multiplying the Net Sales of the Combination Product by the fraction A / C, where A is the weighted average sale price of the Product when sold separately in finished form in such calendar quarter and C is the weighted average sale price of the Combination Product in such calendar quarter.

In the event that the weighted average sale price of the other product(s) can be determined but the weighted average sale price of the Product cannot be determined, Net Sales shall be calculated by multiplying the Net Sales of the Combination Product by the following formula: 1 minus (B / C), where B is the weighted average sale price of the other product(s) when sold separately in finished form in such calendar quarter and C is the weighted average sale price of the Combination Product in such calendar quarter.

In the event that the weighted average sales price of both the Product and the other product(s) in the Combination Product cannot be determined, Net Sales with respect to such Combination Product shall be commercially reasonable and determined by good faith negotiation between Scynexis and Elanco consistent with the ratios referenced above.

"Notice" means the definition provided in Section 11.6.

"Other Arising IP" means Arising IP other than Elanco Arising IP and Scynexis Arising IP.

"Other Compound" shall mean compounds [*] and/or [*] except any compound which is [*] or [*].

"Parties" means Scynexis and Elanco.

"Party" means Scynexis or Elanco.

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"Patent Right" means any patent or patent application, including: (i) all substitutions, divisions, continuations, continuations-in-part thereof and requests for continued examination of any of the foregoing, (ii) all patents issued from any of the foregoing patent applications, (iii) all reissues, renewals, registrations, confirmations, re-examinations, extensions, and supplementary protection certificates of any of the foregoing, and (iv) all foreign equivalents of any of the foregoing.

"Primary Contact Person" will be the respective individuals designated by Scynexis and Elanco, as noted in Exhibit C, who will be responsible for the day-to-day interactions between the Parties related to the Development Program and the management of the day-to-day operations of the Development Program. Each Party may change its Primary Contact Person upon Notice to the other Party.

"Product" means any embodiment that incorporates, uses or implements an Elanco Compound that is commercialized by or for Elanco in the Field in the Territory. For clarity, a Product is considered [*] if [*]. A Product is not considered [*] due to [*] or because of [*] that [*].

"Program Year" means each twelve (12) calendar month period during the term of the Research Phase, except in the first Program Year in which case the Program Year will not be twelve (12) calendar months in length, but will be the period from the Effective Date through 31-December 2014.

"Reasonable Commercial Efforts" means effort, expertise and resources normally used by the Party in the development and/or commercialization of a compound or product owned or controlled by such Party which is of similar market potential at a similar stage in its development or product life, taking into account issues of safety and efficacy, product profile, the competitiveness of the marketplace, the proprietary position of the compound or product, the regulatory structure involved, the profitability of the applicable products, and other relevant factors.

"Regulatory Agency" means, any governmental authority that regulates Products, including but not limited to the Drug Enforcement Administration (DEA), including the Controlled Substance Section (CSS); Environmental Protection Agency (EPA); Food and Drug Administration (FDA), including the Center for Veterinary Medicine (CVM) and the Center for Drug Evaluation and Research (CDER); Food Safety and Inspection Service (FSIS); U.S. Department of Agriculture (USDA); or any counterparts thereof in jurisdictions outside of the USA.

"Regulatory Approval" means, with respect to a Product in a country in the Territory, the receipt of all necessary approvals by the applicable Regulatory Agencies to allow the Product to be commercially sold in such country.

"Research Phase" means the stage of this Agreement during which the Parties collaborate to accomplish the objectives set out in the Development Plan(s) and during such time the Parties will undertake such activities as may be agreed from time to time under relevant Development Program(s) as may be useful or necessary to determine whether any given compound should be designated as an Elanco Compound, in each case as more fully described in Article 4. The Research Phase shall commence upon the Effective Date and conclude upon expiration of the Research Term.

"Research Term" has the meaning provided in Section 4.1(c).

"Royalty Term" means, with respect to a Product, the period beginning on the First Commercial Sale of such Product in any country and ending the later of (i) the expiration of the last to expire Valid Claim covering the manufacturing, use, sale, offer for sale, or importation of such Product in any country, or (ii) nine (9) years after the First Commercial Sale of such Product in any country.

"Scynexis Arising IP" means all Arising IP [*] or [*], and all Arising IP that are [*] and [*].

"Scynexis Compound Families" mean compounds [*].

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

"**Scynexis Background IP**" means all Background IP of Scynexis. For clarity, Scynexis Background IP shall exclude any Background IP of any Third Party that becomes an Affiliate due to such Third Party's acquisition of Scynexis except as provided in Section 11.16.

"**Scynexis Know-How**" means all Know How (excluding any Scynexis Compound Patent Rights) that is Controlled as of the Effective Date or thereafter during the Term by Scynexis and is reasonably necessary or useful for the research, development, manufacture, use, importation or sale of the Elanco Compound(s) or Product(s) in the Field, including any such Know-How made by or on behalf of Scynexis in the course of performing Scynexis's obligations or exercising Scynexis's rights under this Agreement. For clarity, for purposes of this definition an Affiliate shall exclude any Third Party that becomes an Affiliate due to such Third Party's acquisition of Scynexis except as provided in Section 11.16.

"**Scynexis Compound Patent Rights**" means all Patent Rights with respect to Scynexis Test Materials and Scynexis Compound Families.

"**Scynexis Technology**" means the Scynexis Test Materials, Scynexis Compound Families, Scynexis Patent Rights and Scynexis Know-How.

"**Scynexis Test Materials**" means the compounds Controlled by Scynexis as of the Effective Date and provided by Scynexis for screening purposes under the Development Program in either physical or virtual form and listed in the attached Exhibit B. In the event that [*] or [*], Elanco shall notify Scynexis of the same within [*] and the Parties shall discuss whether or not to [*] the Agreement.

"**Steering Committee**" means the joint committee composed of representatives of Scynexis and Elanco, as described in this Agreement.

"**Territory**" means worldwide.

"**Third Party**" means any entity, including any natural person, other than Scynexis or Elanco and their respective Affiliates.

"**Valid Claim**" means a claim of [*] Patent Right [*] which has not been held 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 re-examination, reissue or disclaimer or otherwise.

2. LICENSING AND TRADEMARKS

2.1 **License Grant**.

(a) Scynexis hereby grants to Elanco an exclusive, even as to Scynexis, sub-licensable royalty-bearing license under the Scynexis Compound Patent Rights and Scynexis' rights in Joint Patent Rights in the Field in the Territory, to, research, develop, make, have made, use, sell, have sold, offer for sale, import, export and sub-license Elanco Compounds or Products; provided, however, Scynexis shall retain such rights as are necessary or appropriate to allow Scynexis to perform its obligations under all Development Programs.

(b) Scynexis hereby grants to Elanco a worldwide, perpetual, fully-paid, royalty-free, non-exclusive, license in the Field in the Territory with respect to any Scynexis Know-How to research, develop, make, have made, use, sell, have sold, offer for sale, import, export and sub-license Elanco Compounds or Products; and

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(c) Elanco hereby grants to Scynexis a non-exclusive license under the Elanco Technology inside the Field in the Territory for the sole purpose of performing Scynexis's obligations under this Agreement.

2.2 **Scynexis Rights and Rights Retained**. Subject to the license grant in Section 2.1, Scynexis retains its rights for any and all purposes outside the Field in the Territory to use any Scynexis Patent Rights in any Scynexis Test Materials, Scynexis Compound Families, and Scynexis' Joint Patent Rights, including, without limitation, to research, develop, make, have made, use, sell, have sold, offer for sale, import, export and license products and processes. Furthermore, subject to Section 2.1(c), no license or other rights are granted to Scynexis to the Elanco Technology, except solely for the benefit of Elanco.

2.3 **Sublicenses.** Subject to the other provisions of this Agreement, Elanco shall have the sole right to sublicense any and all rights licensed to Elanco under Section 2.1(a). Any such sublicense by Elanco shall be consistent with the terms of this Agreement, and shall include an obligation for each such sublicensee to comply with the applicable obligations of Elanco set forth in this Agreement.

2.4 **Trademarks.** Elanco will be free to use and to register in any trademark office any trademark for use with a Product in its sole discretion, except for trademarks proprietary to Scynexis and its Affiliates. Elanco will own all right, title and interest in and to any such trademark in its own name during and after the term of this Agreement. As necessary for Elanco to fulfill its obligations and rights under this Agreement, Scynexis hereby grants to Elanco the worldwide, perpetual, fully-paid, royalty-free exclusive sub-licensable license to use in the Field Scynexis trademarks for Products under to this Agreement

3. RESEARCH PHASE

3.1 From time to time during the Research Phase of this Agreement, Elanco shall propose to Scynexis a Development Plan. Thereafter the parties shall meet and confer to develop a Development Program designed to accomplish the Development Plan. The Development Program, shall, among other things, set forth the budget and allocation of FTEs.

3.2 **Steering Committee Formation and Composition.** A joint committee comprising of four (4) members, two (2) named representatives of each of Elanco and Scynexis (the **"Steering Committee"**), to be appointed within [*] of the Effective Date, shall be formed. Each Party will provide the other Party via Notice with the name, title, e-mail address, telephone number and facsimile number of their respective Steering Committee members. The Steering Committee will meet as needed, but not less than [*] during the term of the Agreement or upon such schedule as agreed upon by the Steering Committee. Such meetings will be at such times agreed to by Scynexis and Elanco, and will alternate between the offices of the Parties unless the Parties otherwise agree, or will be in such other form (e.g., telephone or video conference) as the members of the Steering Committee will agree.

3.3 **Steering Committee Functions and Powers.** The Steering Committee will be responsible for review of the Development Program consistent with each Party's internal policies and procedures. Notwithstanding anything to the contrary, the Steering Committee will have no right, power or authority to amend this Agreement. The principal functions of the Steering Committee will include:

(a) prioritization of chemical families for development;

(b) monitoring the progress and results achieved to support a Development Plan under the Development Program;

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(c) fostering the collaborative relationship between the Parties;

(d) identify barriers to achieving the purpose of the collaboration and designing solutions thereto;

(e) select Development Candidates from the Active Ingredients submitted by Scynexis and/or Elanco for consideration as Elanco Compounds; and

(f) such other functions in regard to the Development Plan(s) and Development Program(s) as mutually agreed by the Parties.

A Party may change one or more of its representatives to the Steering Committee at any time. Members of the Steering Committee may be represented at any meeting by another member of the Steering Committee, or by a proxy. Either Party may permit additional employees and consultants to attend and participate (on a non-voting basis) in the Steering Committee meetings, subject to the confidentiality provisions of this Agreement.

3.4 **Decisions of the Steering Committee.** A quorum of the Steering Committee will be present at any meeting of the Steering Committee if one (1) representative of each Party is present at such meeting in person or by telephone or videoconference. If a quorum exists at any meeting, a unanimous vote of the members of the Steering Committee present at such meeting is required to take any action on behalf of the Steering Committee. If the Steering Committee fails to reach unanimity on a matter before it for decision, the matter shall be resolved between the through good faith negotiations. If the Parties are unable to reach agreement within [*], the matter shall be referred to the president of Elanco and the chief executive officer of Scynexis. If the Parties are still unable to reach agreement after within [*] of referring the matter to the president of Elanco and the chief executive officer of Scynexis, then the matter shall [*]. Notwithstanding the foregoing, a Party's resolution of a disputed matter in accordance with the foregoing shall be consistent with the terms of this Agreement. The Steering Committee shall not have the authority to amend or change the terms of this Agreement, to resolve disputes regarding the breach of this Agreement or payments due hereunder, or to resolve matters that are expressly identified herein as being subject to the mutual agreement of the Parties.

3.5 **Chair.** The Steering Committee will be chaired by [*]. The chair does not have a second or casting vote.

3.6 **Minutes and Reports.** The Steering Committee will be responsible for keeping accurate minutes of its deliberations that record all proposed decisions and all actions recommended or taken. Within [*] of each meeting, the chair will provide the Parties with draft minutes of such meeting and a draft of a report describing in reasonable detail the status of the Development Program, a summary of the work and progress to date, any issues requiring resolution and any proposed decisions and actions recommended or taken to all members of the Development Committee. Minutes will be deemed approved unless a Development Committee representative of either Party objects to the accuracy of such minutes or accompanying report by providing Notice to the other Party's Development Committee representatives within [*] of receipt of such minutes and report. In the event that any such objection is not resolved by the Development Committee, such minutes and accompanying report will be amended to reflect such unresolved dispute. All records of the Steering Committee will be considered Confidential Information and will be available to both Parties.

3.7 **Information and Results.** Except as otherwise provided, the Parties will make available and disclose to one another all results of the work conducted pursuant to the Development Program prior to and in preparation for the Development Committee meetings, by the deadline and in the form and format to be designated by the Development Committee.

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3.8 **Subcontracts.**

(a) Elanco may subcontract to Affiliates and Third Parties portions of the Development Program to be performed, provided [*] and [*] that [*] subcontracting by Elanco; and provided, however, that such Affiliate and Third Party subcontractors will be required to enter into appropriate obligations of confidentiality including [*] (said agreements of which signed copies will be submitted to the Development Committee upon request by Scynexis), unless such subcontracting would [*] the Affiliate or Third Party subcontractor, and further provided that the Parties' rights under this Agreement are not adversely affected.

(b) If Scynexis is performing development work for Elanco, Scynexis shall not subcontract any or all portions of such development work without prior written approval from Elanco. Scynexis may submit to Elanco a request for approval of subcontractors. Upon Elanco approval of such subcontractor, Scynexis shall subcontract under terms that are no less stringent than those to which Scynexis is held under this Agreement, including [*] (said agreements of which signed copies will be submitted to the Development Committee upon request by Scynexis). In addition, Elanco shall have the right, upon request, to audit the subcontractor.

4. DEVELOPMENT PLANS

4.1 **Performance and Early Termination**

(a) For each Development Plan, Scynexis and Elanco will use Reasonable Commercial Efforts to collaboratively identify and develop Active Ingredients consistent with the target of such Development Plan, with the initial focus of identifying Active Ingredients through screening by Scynexis of the Elanco Test Materials and the Scynexis Test Materials.

(b) Scynexis and Elanco will use Reasonable Commercial Efforts to perform the design and development tasks as described in each applicable Development Plan and Development Program. Each Party shall be responsible for its respective compliance with the requirements of all applicable Regulatory Agencies in the manufacture, distribution or animal testing of the Active Ingredients. It is initially contemplated that the first Development Plan will focus on [*] and [*] (the "[*] Development Plan").

(c) The Research Phase shall become effective on the Effective Date and continue for a period of four (4) years from the Effective Date. ("Research Term") If the Research Phase is not progressing to the satisfaction of either Party after the second anniversary of the Effective Date, either Party may terminate the Research Phase upon [*] Notice. Upon Notice of termination of the Research Phase, Scynexis will begin to discontinue work under all Development Plan(s) and related Development Program(s) ("Scale Down"). During Scale Down, Scynexis will not incur any reimbursable expense that is not preapproved by Elanco and will invoice Elanco for the sum of all uncancelable out-of-pocket expenses approved in advance by Elanco up through the date of Notice of termination. Upon termination, Scynexis will invoice Elanco for the sum of all un-invoiced amounts actually incurred by Scynexis. For the sake of clarity, the licenses granted to Elanco by Scynexis pursuant to Sections 2.1(a) and 2.1(b) with respect to any Elanco Compound for which [*] shall not terminate upon expiry or early termination of the Research Phase and all Milestones and/or Royalties shall accrue and become payable in accordance with Article 5.

In the event Scynexis terminates the Research Phase consistent with this Section 4.1(c) prior to full Research Term expiring, Elanco, at Elanco's sole discretion, may continue the Research Phase for the duration of the Research Term alone or with a third party.

(i) In the event Elanco elects an Elanco Compound after early termination by Scynexis and (A) such Elanco Compound is [*] or (B) such Elanco Compound is [*] which [*] prior to early termination by Scynexis, [*].

(ii) In the event Elanco elects an Elanco Compound after early termination by Scynexis and (A) such Elanco Compound is [*] or (B) such Elanco Compound is [*] which [*] prior to early termination by Scynexis, [*].

4.2 **Development Program.** The Development Program will be conducted by the Research Team in accordance with the Development Plan and will more fully describe the work to be pursued by Scynexis and Elanco during each Program Year to develop the information necessary for Elanco to make an Elanco Compound Selection in accordance with 4.2(a). The Development Plan shall provide high level guidance as to the types of information necessary for Elanco to consider making an Elanco Compound Selection. Each Development Plan shall, at a minimum, [*].

(a) Attached as Exhibit C is a draft outline of a Development Plan, the specifics of which shall be agreed upon by the Parties, subject to amendment by the Steering Committee. Except for the first Program Year, the Development Plan will be updated and approved by the Steering Committee no later than [*] prior to the start of each Program Year. The Development Plan in effect at any time may not be amended except as agreed in writing by the Steering Committee. If at any time during a Program Year, either Party determines that a change to the Development Plan is necessary, such Party will prepare and submit to the Steering Committee a written proposal detailing its proposed changes to the Development Plan. Any budget for Scynexis's costs under a modified Development Plan, over and above those costs reflected in Section 4.2(h) that are to be reimbursed by Elanco will be approved by the Steering Committee before Scynexis commences any work on such modified Development Plan. So long as such proposed change(s) is (are) submitted to the Steering Committee at least [*] prior to its next regular meeting, then the Steering Committee will decide on such proposed change(s) at its next meeting.

(b) **Sharing of Data.** Parties will provide to each other, at no charge, access to testing, pilot manufacturing and regulatory data relevant to the Active Ingredients in the Field, or if required in response to inquiries from Regulatory Agencies related to Products.

(c) **Results and Records.** The Parties will make available and disclose to one another all results of the work conducted pursuant to the Development Program, and will keep such records as described herein; provided that each Party will maintain such results and records of the other Party in confidence in accordance with the confidentiality provisions in this Agreement, and will not use such results or records except to the extent otherwise permitted by this Agreement. The Parties will maintain records of the results in sufficient detail and in good scientific manner appropriate for patent purposes, and in a manner that properly reflects all work done and results achieved in the performance of the Development Program (including all data in the form required to be maintained under any applicable governmental regulations). Such records will include reports, research notes, charts, graphs, computations, analyses, recordings, photographs, and other graphic or written data specifically relevant to the Development Program.

(d) **Ownership of Active Ingredients and other compounds.** Subject to the license [*], all data, reports, and compounds identified, developed, and/or created under the Development Program, [*] and compounds originating from [*] shall be [*]. Subject to the license [*], all data, reports, and

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compounds identified, developed, and/or created under the Development Program, [*] and all compounds originating from [*] shall be [*]. For the sake of clarity, all data and reports developed and/or created under the Development Program shall [*]. With respect to each Elanco Test Material, each Other Compound, and each Elanco Compound Family, (i) Scynexis shall not use Elanco Test Material, Other Compound, or Elanco Compound Family in any manner inconsistent with this Agreement or for any commercial or internal research purpose; (ii) Scynexis shall use, store and dispose of Elanco Test Material, Other Compound, and Elanco Compound Families in compliance with all applicable laws, regulations and guidelines, (iii) Scynexis shall not reverse engineer, reverse compile, disassemble or derivatize Elanco Test Material, and (iv) shall keep records documenting the quantities of Elanco Test Material received and the disposition of such quantities. With respect to each Scynexis Test Material and Scynexis Compound Family, (i) Elanco shall not use Scynexis Test Material or Scynexis Compound Family in any manner inconsistent with this Agreement or for any commercial or internal research purpose; (ii) Elanco shall use, store and dispose of Scynexis Test Material and Scynexis Compound Families in compliance with all applicable laws, regulations and guidelines, (iii) Elanco shall not reverse engineer, reverse compile, disassemble or derivatize Scynexis Test Material or Scynexis Compound Families and (iv) shall keep records documenting the quantities of Scynexis Test Material and Scynexis Compound Families received and the disposition of such quantities.

(e) **Availability of Employees.** Each Party agrees to make its employees and non-employee consultants to a Development Program reasonably available at their respective places of employment to consult with the other Party on issues arising during the Development Program and in connection with any request related to Development Program from any Regulatory Agency, including regulatory, scientific, technical and clinical testing issues.

(f) **Visit of Facilities.** Representatives of the Parties may, upon reasonable advanced notice and at times reasonably acceptable to the other Party, visit the portions of the other Party's facilities where activities are being performed in connection with the Development Program, and consult informally, during such visits and by telephone, facsimile and e-mail, with the other Party's personnel performing work on the Development Program. Notwithstanding the foregoing, either Party may restrict the other's access to its facilities as required to protect the confidentiality of information not directly related to the Development Program.

(g) **Research Team.** During the Research Term, unless earlier terminated in accordance with Section 4.1(c), Scynexis shall appoint an integrated team, consisting of a project leader, and members from the following disciplines: [*] consisting of [*] full time employee equivalents ("FTEs"); provided, however, in the event that [*], the number of [*] assigned to the Development Program may be [*] FTEs for a period of up to the [*] of the Development Program, in which event the Research Fee for such period shall be [*] accordingly.

(h) **Research Fees.** Each Development Program shall establish the Research Fees payable by Elanco to Scynexis for performance of its obligations under the Development Program. The parties hereby agree that the Research Fees for during the Research Term shall be $2.75 million each year for the first two Program Years, and, unless earlier terminated in accordance with Section 4.1(c), $3.0 million each year for the final two Program Years. All Research Fees shall be due and payable in equal [*] installments, by the [*] of the [*].

(i) **Out-Of-Pocket Expense Reimbursements.** It is acknowledged and agreed that Scynexis will have external studies conducted by Third Parties in furtherance of the Development Program, the costs of which shall be reimbursed by Elanco within [*] of Elanco's receipt of invoice from Scynexis, or paid directly to the Third Parties, at Elanco's sole election.

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(j) **Regulatory / Quality Assurance / Quality Control / Legal.** Parties will allow Regulatory, Quality Assurance, Quality Control, Accounting and Legal personnel from either Party or its attorneys, advisors, accountants and contractors timely and reasonable access to audit financial records, trial protocols, pilot scale manufacturing documents, procedures manuals, patent documents and other Active Ingredient, Elanco Compound or Product-related items relating to the license granted by Scynexis pursuant to this Agreement. Any such audit shall be conducted no more frequently than [*] unless reasonably required more frequently to timely address regulatory issue(s).

4.3 **Development and Commercialization of Elanco Compounds and Products**

(a) **Selection of Elanco Compounds**.

(i) Upon completion of the activities to be performed by Scynexis pursuant to the [*] of any Development Program in accordance with Section 4.2, Scynexis and/or Elanco shall prepare for the Steering Committee an application for consideration of an Active Ingredient as a Development Candidate. Within [*] of submission of such application, the Steering Committee shall either (a) designate the as a Development Candidate or (b) decline to designate as a Development Candidate. Any failure of the Steering Committee to make a designation within such time [*] period shall constitute a decision by the Steering Committee to decline to designate the Active Ingredient as a Development Candidate. In the event that the Steering Committee is unable to agree upon whether or not to designate an Active Ingredient as a Development Candidate, such designation shall be made consistent with Elanco's position.

(ii) Within [*] of the designation of as a Development Candidate by the Steering Committee, the Steering Committee shall submit such Development Candidate to Elanco for consideration as an Elanco Compound. Within [*] of such submission, Elanco shall either (a) designate such Development Candidate as an Elanco Compound or (b) decline to designate the Development Candidate as an Elanco Compound. Any failure of Elanco to make a designation within such [*] period shall constitute a decision by Elanco to decline to designate the Development Candidate as an Elanco Compound.

(iii) Except as provided for in Subsection 4.3(a)(v), in the event that Elanco develops, or has developed on its behalf, (1) any Active Ingredient after the presentation of the Active Ingredient for consideration by the Steering Committee, or (2) any Development Candidate, such Active Ingredient shall be deemed an Elanco Compound.

(iv) All licenses to Scynexis Compound Patent Rights to Elanco under Section 2(a) hereof for any Active Ingredient which is submitted to the Steering Committee for designation as a Development Candidate which the Steering Committee declines to so designate as a Development Candidate or which is submitted to Elanco for designation as an Elanco Compound which Elanco declines to designate as an Elanco Compound, shall terminate and all such rights shall revert to Scynexis.

(v) Notwithstanding anything to the contrary contained herein, in the event that [*], and [*], then [*] pursuant to Sections [*]. Furthermore, in the event that [*] an Active Ingredient for further development and commercialization [*] the Development Program in accordance with Section [*] and such Active Ingredient [*], or [*] shall [*] and [*] such Active Ingredient [*].

(b) **Development and Commercialization of Elanco Compounds and Products by Elanco**. Elanco will conduct all development and commercialization activities for the Elanco Compound(s) and/or Product(s) in the Field and Territory at its expense, including, but not limited to the preparation and submission of the appropriate regulatory documents, manufacturing activities, and

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marketing and sales activities required for commercialization within the Field and Territory. All Know-How, including, but not limited to, manufacturing information, formulation development, marketing authorizations, including the veterinary master file and any foreign equivalents, developed by or on behalf of Elanco after Elanco's selection of an Elanco Compound pursuant to section 4.8 shall be owned by Elanco.

(c) **Performance**. Elanco will use Reasonable Commercial Efforts to identify, develop and commercialize Elanco Compounds and Products in the Field in the Territory, but will be under no obligation to market a Product if it determines, in its sole and reasonable business judgment, that such an effort is not commercially viable for Elanco.

(d) **Regulatory / Quality Assurance / Quality Control / Legal**. Parties will allow Regulatory, Quality Assurance, Quality Control, Accounting and Legal personnel from either Party or its attorneys, advisors, accountants and contractors timely and reasonable access to audit financial records, trial protocols, pilot scale manufacturing documents, procedures manuals, patent documents and other Active Ingredient, Elanco Compound or Product-related items relating to the license granted by Scynexis pursuant to this Agreement. Any such audit shall be conducted no more frequently than [*] unless reasonably required more frequently to timely address regulatory issue(s).

5. MILESTONES AND ROYALITES

5.1 **Licensing and Milestone Fees**

(a) **Licensing Fee**. In further consideration of the licenses granted by Scynexis under Article 2 of this Agreement and to the Scynexis Test Materials, Elanco has made a one-time payment in the sum of Five Hundred Thousand United States Dollars ($500,000).

(b) **Milestone Payments for [*]**. In further consideration of the license granted by Scynexis under Article 2 of this Agreement, upon [*], Elanco shall make a one-time payment in the sum of (i) [*] for each [*] Elanco Compound [*], within [*] of attainment of such milestone; or (ii) [*] for each [*] Elanco Compound [*], within [*] of attainment of such milestone ("**Development Milestone**"). For the sake of clarity, the milestone payment listed above is payable only once per Elanco Compound.

(c) **Milestone Payments for [*]**. In further consideration of the license granted by Scynexis under Article 2 of this Agreement, upon [*], Elanco shall make a one-time payment in the sum of (i) [*] for a Product that contains an Active Ingredient which is [*], within [*] of attainment of such milestone; or (ii) [*] for any Product contains an Active Ingredient which is [*], within [*] of attainment of such milestone. For the sake of clarity, the milestone payment listed above is payable only once per Elanco Compound.

(d) **Payments for [*] Milestones**. In further consideration of the license granted by Scynexis under Article 2 of this Agreement, Elanco shall make one-time payments within [*] of [*]:

[*]	[*]
[*]	[*]

For the sake of clarity, the milestone payment listed above is payable only once per Elanco Compound.

(e) **Payments for [*] Milestones**. In further consideration of the license granted by Scynexis under Article 2 of this Agreement, Elanco shall make one-time payments within [*] of first time a Product attains such milestone as follows:

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

[*] a Product [*]	Milestone Payment:
[*]	[*]
[*]	[*]

For the sake of clarity, the milestone payment listed above is payable only once per Elanco Compound.

5.2 **Royalties to Scynexis**. In further consideration of the rights and licenses granted under Article 2,

(a) for Products [*], for each Product, Elanco will pay to Scynexis on a quarterly basis royalties ("**Royalties**") on global Net Sales of Products in the Field in the Territory during the applicable Royalty Term, on a Product-by-Product basis, calculated pursuant to table below.

Annual Net Sales of:	Royalty Payment on Net Sales:
Zero United States Dollars to [*]	[*]
From Net Sales over [*] to [*]	[*]
For all Net Sales over [*]	[*]

(b) **No Patent Countries**. The Royalty rates set forth above shall be reduced by [*] for any Net Sales in a country during the applicable Royalty Term where no Valid Claim exists for Products [*], Elanco will pay to Scynexis on a quarterly basis Royalties on global Net Sales by Elanco of Products in the Field in the Territory, during the applicable Royalty Term on a Product-by-Product basis, calculated pursuant to the table below:

Annual Net Sales of:	Royalty Payment on Net Sales:
Zero United States Dollars to [*]	[*]
From Net Sales over [*] to [*]	[*]
For all Net Sales over [*]	[*]

No Patent Countries. The Royalty rates set forth above shall be reduced by [*] for any Net Sales in a country during the applicable Royalty Term where no Valid Claim exists.

5.3 **Audits**. Upon request via Notice from Scynexis, Elanco will permit [*] independent auditing firm to have access during normal business hours to such of the records of Elanco as may be reasonably necessary to verify the accuracy of the financial records (including, without limitation, payment reports) of Elanco relating to amounts paid or payable to Scynexis hereunder in respect of any calendar year ending not more than [*] prior to the date of such request. Except as described in the next paragraph, all such audits will be conducted at the expense of Scynexis and not more than [*].

(a) In the event such accountant concludes that additional payments of any kind as required by this Agreement were owed to Scynexis during such calendar year, the additional amounts will be paid within [*] of the date Scynexis delivers to Elanco such accountant's written report so concluding. The fees charged by such accountant will be paid by Scynexis, unless the audit discloses that the amounts payable by Elanco for the audited calendar year are more than [*] than the amounts actually paid for such period, in which case Elanco will pay the reasonable fees and expenses charged by the accountant.

(b) Elanco will include in each sublicense granted by it pursuant to this Agreement a provision requiring the sublicensee to make reports to Elanco, to keep and maintain sufficient records of Product sales and Net Sales pursuant to such sublicense, and to grant access to such records by Scynexis's independent accountant to the same extent required of Elanco under this Agreement.

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(c) Upon request via Notice from Elanco, Scynexis will, at Scynexis's option, permit [*] independent auditing firm [*] to have access during normal business hours to such records of Scynexis as may be reasonably necessary to verify Scynexis's performance under the Agreement in respect of any calendar year ending not more than [*] prior to the date of such request. Except as described in the next paragraph, all such audits will be conducted at the expense of Elanco and not more than [*].

(d) In the event such accountant concludes that amounts reimbursed to Scynexis by Elanco during such period exceeded the amounts approved via Notice in advance by Elanco pursuant to Sections 4.2(a) and 4.2(h) and out-of-pocket expenses approved by Elanco pursuant to Section 4.2(i), the amount of the excess expenses will be paid to Elanco within [*] of the date Elanco delivers to Scynexis such accountant's written report so concluding. The fees charged by such accountant will be paid by Elanco, unless the audit discloses that the amounts paid by Elanco to Scynexis for the audited calendar year are more than [*] than the amount of the expenses approved by Elanco for such calendar, in which case Scynexis will pay the reasonable fees and expenses charged by such accountant for the audit of such calendar year.

(e) The Parties agree that all information subject to review under this Section 5.6 or under any sublicense agreement is Confidential Information and that it will cause its accountant to retain all such information in confidence.

5.4 **Royalty Payment Terms**. Royalties shown to have accrued by each royalty report provided for under this Agreement will be due and payable on the date such royalty report is due, Payment of Royalties in whole or in part may be made in advance of such due date. Royalties determined to be owing, and any overpayments to be credited with respect to any prior period, will be added together with interest (calculated in accordance with Section 5.8) on any overdue amounts accruing under this Agreement from the date of the report for the period for which such amounts are owing, or credited, as the case may be, to the next quarterly payment hereunder.

5.5 **Royalty Reports**. Royalty reports are due for each calendar quarter [*] after the end of the quarter. For each calendar quarter, the royalty report will set out the Royalty amount due and Net Sales, as well as any amounts payable to Scynexis in accordance with Section 5.6 with respect to sublicense payments or consideration which Elanco has received in such calendar quarter.

5.6 **Withholding of Taxes**. Any withholding of taxes levied by tax authorities outside the United States on the payments hereunder will be deducted by Elanco from the sums otherwise payable by it hereunder for payment to the proper tax authorities on behalf of Scynexis and will be borne by Scynexis. Elanco agrees to cooperate with Scynexis in the event Scynexis claims exemption from such withholding or seeks deductions under any double taxation or other similar treaty or agreement from time to time in force, such cooperation to include, without limitation, providing receipts of payment of such withheld tax or other documents reasonably available to Elanco.

5.7 **Exchange Controls**. Except as otherwise provided in this Agreement, all payments to be made pursuant to this Agreement will be paid in U.S. Dollars. If at any time legal restrictions prevent the prompt remittance of part or all Royalties with respect to any country where Product is sold, payment will be made through such lawful means or methods as Elanco may determine. When in any country the law or regulations prohibit both the transmittal and deposit of Royalties on sales or any other payments due under this Agreement in such a country, royalty payments due by Elanco to Scynexis in respect of sales in such country will be suspended for as long as such prohibition is in effect, and as soon as such prohibition ceases to be in effect, all payments that Elanco would have been obligated to transmit or deposit, but for the prohibition, will forthwith be deposited or transmitted promptly to the extent allowable, as the case may be. If the royalty rate specified in this Agreement should exceed the permissible rate established in any country, the royalty rate for sales in such country will be adjusted to the highest legally permissible or government-approved rate.

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5.8 **Interest on Late Payments**. If either Party fails to pay any payment due under this Agreement on or before the date such payment is due, as provided in this Agreement, such late payment shall bear interest, to the extent permitted by applicable law, at the prime rate as of the date of U.S. Mail postmark of the relevant payment if sent by U.S. Mail, or otherwise on the date of receipt of payment, as published in The Wall Street Journal and found on the wsj.com website at the following link or its successor site:

http://interactive5.wsj.com/edition/resources/documents/mktindex.hherates.htm

plus [*], as calculated on the number of days the relevant payment is delinquent from and including the date payment is due through and including the date upon which the owed Party has collected immediately available funds in its own account.

6. INVENTIONS AND PATENT RIGHTS

6.1 **Background IP**. The Parties acknowledge that any Background IP of a Party used in the under a Development Plan remains the property of such Party. Save to the extent necessary for the purpose of and to the extent required under a Development Plan for performing the Development Program, nothing in this Agreement shall be interpreted as an obligation on a Party or its Affiliates to give access to or grant a license under its Background IP.

6.2 **Disclosure of Inventions**. Each Party shall promptly disclose to the other all Arising IP, including all invention disclosures or other similar documents submitted to such Party by its or its Affiliates', employees, agents or independent contractors describing such Arising IP. Such Party shall also respond promptly to reasonable requests from the other Party for more Information relating to such inventions.

6.3 **Scynexis Arising IP**. All right, title and interest in all Scynexis Arising IP will, regardless of inventorship, be owned by Scynexis. In the event that [*] and/or [*] Scynexis Arising IP, [*] and [*] such Scynexis Arising IP.

6.4 **Elanco Arising IP**. All right, title and interest in all Elanco Arising IP will, regardless of inventorship, be owned by Elanco.

6.5 **Sole Property**. The Parties agree that, where Arising IP and any resulting Patent Right shall be and become the sole property of the relevant Party as set out in Sections 6.3. and 6.4. above, said Party shall have the right to determine whether any application for a patent or other intellectual property right shall be made and shall have the exclusive benefit throughout the world thereof, together with the right to maintain, defend, assign or abandon such intellectual property rights without reference to any other person.

6.6 **Joint Arising IP**. In the event that any Arising IP is either Scynexis Arising IP or Elanco Arising IP, the Parties shall assign of the patent applications to establish ownership consistent with whether the IP is Scynexis Arising IP or Elanco Arising IP. In the event that any Arising IP is [*], the Arising IP shall be jointly-owned ("Joint Arising IP"). [*] will have the first right, but not the obligation, to assume responsibility for the preparation, filing, prosecution (including any interferences, reissue proceedings and reexaminations) and maintenance of patent applications covering such Joint Arising IP (any such patent application and any patents issuing therefrom a "**Joint Patent Right**") in any

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jurisdictions throughout the Territory. If [*] declines to prepare, file, prosecute, and/or maintain a patent application covering a potentially patentable Joint Arising IP or a Joint Patent Right, then [*] shall have the right, but not the obligation, to assume responsibility for the preparation, filing, prosecution (including any interferences, reissue proceedings and reexaminations) and/or maintenance of patent applications covering such Joint Arising IP (any such patent application and any patents issuing therefrom shall be deemed a Joint Patent Right) in any jurisdictions throughout the Territory. The Party that prosecutes a patent application in the Joint Patent Rights (the "**Prosecuting Party**") shall provide the other Party reasonable opportunity to review and comment on such filing and prosecution efforts regarding the applicable Joint Patent Rights in the particular jurisdictions, and such other Party shall provide the Prosecuting Party reasonable assistance in such efforts. The Prosecuting Party shall provide the other Party with a copy of all material communications with any patent authority in the applicable jurisdictions regarding the Joint Patent Right being prosecuted by such Party promptly following receipt or dispatch thereof by such Party. The Prosecuting Party shall provide drafts of any material filings or responses to be made to such patent authorities a reasonable amount of time in advance of submitting such filings or responses for the other Party to review and comment thereon and will incorporate, absent a substantial reason to the contrary, such Party's comments on such filing before submitting such filing to the relevant patent authority. In particular, each Party agrees to provide the other Party with all information necessary or desirable to enable the other Party to comply with the duty of candor/duty of disclosure requirements of any patent authority. [*] shall be responsible for all out-of-pocket expenses incurred in connection with such preparation, filing, prosecution and maintenance of Joint Patent Rights for all Patent Rights [*]. For any Joint Patent Right [*] or [*], [*] the reasonable out-of-pocket expenses incurred in connection with the filing, prosecution, and maintenance of such Joint Patent Rights. The Prosecuting Party will invoice the other Party for the other Party's share of such expenses. The other Party will reimburse the Prosecuting Party for the other Party's share of such expenses within [*] after receipt of invoice (including supporting documentation, upon written request of the other Party); if the other Party fails or declines to pay its one-half share of expenses within the [*] period, the Prosecuting Party may deduct from amounts due and owing to the other Party such share of unpaid expense. Either Party may determine that it is no longer interested in supporting the continued prosecution or maintenance of a particular Joint Patent in a country or jurisdiction, in which case the disclaiming Party shall notify the other Party.

6.7 **Further Assistance**. Each Party and its employees, agents, representatives and contractors shall provide the other Party all reasonable assistance and cooperation in the prosecution of Arising IP as provided in this Section, including providing any necessary powers of attorney and executing any other required documents or instruments for such prosecution at the expense of said relevant Party; provided, however that any payments, other obligations, and/or acts due to an inventor under statutory national laws will be the responsibility of [*] and [*], and/or [*] of any such payments, other obligations, and/or acts.

6.8 **Scynexis Patent Rights**. Except as otherwise provided in this Article 6, Scynexis shall direct the preparation, filing, prosecution (including any interferences, reissue proceedings and reexaminations) and maintenance of the Scynexis Patent Rights, other than Joint Patents, in any jurisdiction in the Territory. Scynexis shall provide Elanco reasonable opportunity to review and comment on such filing and prosecution efforts regarding such Scynexis Patent Rights in the Territory. Scynexis shall provide Elanco with a copy of all material communications from any patent authority in the Territory regarding such Scynexis Patent Rights, and shall provide drafts of any material filings or responses to be made to such patent authorities a reasonable amount of time in advance of submitting such filings or responses for Elanco to review and comment thereon [*] before submitting such filing to the relevant patent authority, [*] and provided [*]. If Scynexis determines in its sole discretion to abandon or not maintain any Scynexis Patent Right anywhere in the Territory, then Scynexis shall provide Elanco written notice of such determination at least [*] before any deadline for taking action to avoid abandonment upon written request by Elanco and shall [*] provide Elanco with the opportunity to prepare, file, prosecute and

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maintain such Patent Right in the Territory, at Elanco's sole expense. If Elanco desires Scynexis to file, in a particular jurisdiction in the Territory, a Scynexis Patent Right that claims priority to another Scynexis Patent Right, Elanco shall provide written notice to Scynexis requesting that Scynexis file such patent application in such jurisdiction. If Elanco provides such written notice to Scynexis, Scynexis shall either (i) file and prosecute such patent application and maintain any patent issuing thereon in such jurisdiction, or (ii) notify Elanco that Scynexis does not desire to file such patent application and shall [*] provide Elanco with the opportunity to file and prosecute such patent application and maintain any patent issuing thereon, at Elanco's sole expense. Elanco's rights under this Section 6.6 with respect to any Scynexis Patent Right licensed to Scynexis by a Third Party and listed in Exhibit A shall be subject to the rights of such Third Party to file, prosecute, and/or maintain such Scynexis Patent Rights.

(a) At any time that Elanco is filing and prosecuting a patent application and maintaining any patent issuing thereon on pursuant to this Section 6.8, Elanco shall provide Scynexis reasonable opportunity to review and comment on such filing and prosecution efforts regarding such Scynexis Patent Rights in the Territory. Elanco shall provide Scynexis with a copy of all material communications from any patent authority in the Territory regarding such Scynexis Patent Rights, and shall provide drafts of any material filings or responses to be made to such patent authorities a reasonable amount of time in advance of submitting such filings or responses for Scynexis to review and comment thereon

(b) No later than [*] of each calendar year (or within [*] of the Effective Date, in the case of the first Program Year) during the term of this Agreement, Scynexis will provide Elanco with an updated Exhibit D and report describing the status of the Scynexis Patent Rights licensed to Elanco pursuant to Section 2.1. Such report will include, at a minimum, the patent application and patent number, country(ies), filing date, issue date, expiration date and other relevant information.

6.9 **Elanco Patent Rights**. Elanco will have sole responsibility for and control over the filing, prosecution, maintenance and enforcement of the Elanco Patent Rights, at Elanco's expense.

6.10 **Patent Extensions**. Scynexis will cooperate with Elanco in obtaining patent term extension or supplemental protection certificates and the like with respect to the Scynexis Patent Rights and Joint Patent Rights in the Field as to which Elanco is licensed under this Agreement, in each country and region where [*]. [*] which Patent Right to extend and [*]. Each Party shall provide reasonable assistance to the other Party in connection with obtaining any such extensions. To the extent reasonably and legally required in order to obtain any such extension in a particular country, each Party shall make available to the other Party a copy of the necessary documentation to enable such other Party to use the same for the purpose of obtaining the extension in such country.

7. INFRINGEMENT; ENFORCEMENT

7.1 **Infringement Claims**. If the manufacture, sale or use of a Product pursuant to this Agreement results in, or may result in, any claim, suit or proceeding by a Third Party alleging patent infringement by Scynexis or Elanco (or its licensees or sublicensees), or by an Affiliate of Scynexis or Elanco, such Party will promptly notify the other Party hereto via Notice. The Party subject to such Third Party claim will have the exclusive right to defend and control the defense of any such claim, suit or proceeding, at its own expense, using counsel of its own choice; provided, however, that neither Party will enter into any settlement which admits or concedes that any aspect of the Patent Rights (including Joint Patent Rights) of the other Party is invalid or unenforceable without the prior written consent of said other Party. The Party subject to the Third Party claim will keep the other Party hereto reasonably informed of all material developments in connection with any such claim, suit or proceeding. Should [*] decide not to actively defend or fail to defend any such claim, suit, or proceedings by a Third Party relating to [*], then [*] will be entitled to take over, at its option, the right to defend such infringement proceedings and the control of any such defense, at its cost.

7.2 **Enforcement of Joint Patent Rights**. Scynexis and Elanco will each promptly notify the other via Notice of any alleged or threatened infringement of the Joint Patent Rights of which they become aware. Scynexis and Elanco will then confer and may agree jointly to prosecute any such infringement. If the Parties do not agree on whether or how to proceed with enforcement activity (a) within [*] following the notice of alleged infringement or (b) [*] before the time limit, if any, set forth in the appropriate laws and regulations for the filing of such actions, whichever comes first, then [*] may commence litigation with respect to the alleged or threatened infringement at its own expense. In the event that [*] does not commence litigation within [*] of the above-specified date, [*] may do so, at [*] expense. In the event a Party brings an infringement action against a Third Party, the other Party will cooperate fully, including, if required to bring such action, the furnishing of a power of attorney.

(a) Except as otherwise agreed to by the Parties as part of a cost-sharing arrangement, any recovery realized as a result of such litigation (whether by way of settlement or otherwise) will be first allocated to reimbursement of unreimbursed legal fees and expenses incurred by the Party initiating the proceeding, then toward reimbursement of any unreimbursed legal fees and expenses of the other Party, and then the remainder will be divided between the Parties as follows: (y) if the award is based on lost profit], Elanco will receive an amount equal to the damages the court determines Elanco has suffered as a result of the infringement less the amount of any Royalties that would have been due to Scynexis on sales of Products lost by Elanco or any Affiliate or sublicensee of Elanco as a result of the infringement had Elanco or any Affiliate or sublicensee of Elanco made such sales, and Scynexis will receive an amount equal to the Royalties and other payments it would have received under Article V if such sales had been made by Elanco or any Affiliate or sublicensee of Elanco; and (z) as to awards other than those based on lost profits, [*] to the Party initiating such proceedings and [*] to the other Party.

7.3 **Enforcement Action in the Field**.

(a) [*] shall have the sole right, but not the obligation, to commence and control any legal action or proceeding, or the filing of any counterclaim, related to any alleged infringement of the [*] Patent Rights ("Action") in the Field in the Territory. In the event that [*] elects, in its sole discretion, to undertake such an Action, [*] agrees to reasonably cooperate with [*], including providing access to all necessary documents, executing all papers and performing such other acts as may be reasonably required for such Action, including, but not limited to, consenting to be joined as a Party plaintiff in such Action. [*] shall control such Action, and [*] may enter into settlements, stipulated judgments or other arrangements respecting such infringement; provided, however, [*] shall not settle or make any agreement that would have an adverse effect on [*] rights under this Agreement, without the prior written consent of [*], which shall not be unreasonably withheld or delayed. [*] shall keep [*] reasonably apprised of the progress of any such Action. [*] may, at its option and sole expense, be represented by counsel of its choice, but all other costs associated with any such Action shall be at the sole expense of [*].

(b) In the event that [*] does not commence and or continue to control such Action within [*] of receipt of Notice from [*], [*] shall have the sole right, but not the obligation, to commence and control any such Action in the Field in the Territory. In the event that [*] elects, in its sole discretion, to undertake such an Action, [*] agrees to reasonably cooperate with [*], including providing access to all necessary documents, executing all papers and performing such other acts as may be reasonably required for such Action, including, but not limited to, consenting to be joined as a party plaintiff in such Action. Upon such election, [*] shall control such Action, and [*] may enter into settlements, stipulated judgments or other arrangements respecting such infringement; provided, however, [*] shall not settle or

make any agreement that would have an adverse effect on [*] rights under this Agreement, without the prior written consent of [*], such consent not to be unreasonably withheld or delayed. [*] shall keep [*] reasonably apprised of the progress of any such Action. [*] may, at its option and sole expense notwithstanding the immediately following paragraph, be represented by counsel of its choice, but all other costs associated with any such Action shall be at the sole expense of [*].

(c) Except as otherwise agreed to by the Parties as part of a cost-sharing arrangement, any recovery realized as a result of such litigation (whether by way of settlement or otherwise) will be first allocated to reimbursement of unreimbursed legal fees and expenses incurred by the Party initiating the Action, then toward reimbursement of any unreimbursed legal fees and expenses of the other Party, and then the remainder will be divided between the Parties as follows: (y) if the award is based on lost profits, Elanco will receive an amount equal to the lost Net Sales the court determines Elanco has lost as a result of the infringement less the amount of any Royalties that would have been due to Scynexis on sales of Products lost by Elanco or any Affiliate or sublicensee of Elanco as a result of the infringement had Elanco or any Affiliate or sublicensee of Elanco made such sales, and Scynexis will receive an amount equal to the Royalties and other payments it would have received under Article V if such sales had been made by Elanco or any Affiliate or sublicensee of Elanco; and (z) as to awards other than those based on lost sales, [*] to the Party initiating such Action and [*] to the other Party.

8. CONFIDENTIALITY

8.1 **Confidentiality Agreement**. The Parties are bound by a Confidential Disclosure Agreement effective as of [*]. The Parties' rights and obligations under the Confidential Disclosure Agreement are incorporated herein by reference and are now extended for the term of this Agreement; should there be any conflict, the provisions of this Agreement shall prevail.

8.2 **Nondisclosure; Exceptions**. Neither Scynexis nor Elanco shall publish or disclose to any Third Party, including its independent contractors, any or all Confidential Information of the other Party without the advance execution of a binding confidentiality agreement between the Third Party and the disclosing Party [*]. Neither Scynexis nor Elanco shall disclose to any Third Party or use for any purpose besides this Agreement Confidential Information of the other Party, unless such Party can demonstrate that such information:

(a) Was known to the receiving Party or to the public prior to disclosure by the disclosing Party under this Agreement, as shown by written records;

(b) Becomes known to the public from a source other than the receiving Party;

(c) Is disclosed to the receiving Party on a non-confidential basis by a Third Party having a legal right to make such disclosure;

(d) Is required to be disclosed by law or judicial order; provided, however, the receiving Party shall promptly notify the disclosing Party and shall not disclose any information without the disclosing Party's prior written consent or until the disclosing Party has exhausted any legal actions it may take to prevent or limit the requested disclosure; or

(e) Is independently developed by the receiving Party not having access to the disclosing Party's information.

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8.3 **Survival of Confidentiality and Non-Use Obligations**. Such obligations of confidentiality and non-use shall survive expiration or termination of this Agreement for a period of [*] from the effective date of such termination or expiration.

8.4 **Authorized Disclosure**. Each Party may disclose Confidential Information belonging to the other Party to the extent such disclosure is reasonably necessary in the following instances:

(a) filings submitted to a Regulatory Agency to the extent necessary for obtaining marketing approvals in the Field;

(b) complying with applicable governmental regulations;

(c) as necessary in order for Elanco to exercise its rights including subcontracting under this Agreement;

(d) conducting pre-clinical or clinical trials of Elanco Compounds or Products; and

(e) disclosure on a "need to know" basis to Affiliates, sublicensees, employees, consultants or agents who agree to be bound by similar terms of confidentiality and non-use at least equivalent in scope to those set forth in this Article VIII.

9. INDEMNIFICATION; REPRESENTATIONS & WARRANTIES

9.1 **Liabilities; Indemnification by Elanco**. Elanco will at all times during and after the term of this Agreement be responsible for, and will defend, indemnify and hold Scynexis, its Affiliates and their respective directors, officers, employees and contractors harmless from and against any and all losses, claims, suits, proceedings, expenses, recoveries and damages, including reasonable legal expenses and costs including attorneys' fees (collectively, "**Claims**"), arising out of any claim by any Third Party to the extent such Claims results or arises from (a) Elanco's breach of this Agreement; (b) the negligence or willful misconduct of Elanco, its Affiliates, or their respective directors, officers, employees or contractors in their performance hereunder; (c) the development, use, sale, distribution, marketing, promoting or commercialization of the Elanco Compounds or Products; except to the extent such Claims are caused by a breach of this Agreement by Scynexis or the negligence or willful misconduct of Synexis; or (d) the commercialization of the Products infringing upon the Intellectual Property Rights of any Third Party. Scynexis will give Elanco prompt Notice of any such Claims and, without limiting the foregoing indemnity, Elanco will have the right to compromise, settle or defend such Claim (to the extent subject to indemnity by Elanco as set forth herein); provided that (i) no offer of settlement, settlement or compromise by Elanco shall be binding on Scynexis without its prior written consent (which consent shall not be unreasonably withheld or delayed), unless such settlement fully releases Scynexis without any liability, loss, cost or obligation incurred by Scynexis and (ii) Elanco shall not have authority to admit any wrongdoing or misconduct on the part of Scynexis or its Affiliates except with Scynexis' prior written consent.

9.2 **Indemnification by Scynexis**. Scynexis will at all times during and after the term of this Agreement be responsible for, and will indemnify, defend and hold Elanco, its Affiliates, and their respective directors, officers, employees and contractors harmless from and against any and Claims arising out of any claim by any Third Party to the extent arising out of (a) Scynexis' breach of this Agreement; or (b) the negligence or willful misconduct of Scynexis, its Affiliates, or their respective directors, officers, employees or contractors in their performance hereunder. Elanco will give Scynexis prompt Notice of any such Claim and, without limiting the foregoing indemnity, Scynexis will have the right to compromise, settle or defend any such Claim (to the extent subject to indemnity by Scynexis as

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set forth herein); provided that (i) no offer of settlement, settlement or compromise by Scynexis shall be binding on Elanco without its prior written consent (which consent shall not be unreasonably withheld or delayed), unless such settlement fully releases Elanco without any liability, loss, cost or obligation incurred by Elanco and (ii) Scynexis shall not have authority to admit any wrongdoing or misconduct on the part of Elanco or its Affiliate except with Elanco's prior written consent.

9.3 **Scynexis Representations & Warranties to Elanco**. As of the Effective Date, Scynexis represents and warrants that it owns all right and title to, or owns the exclusive rights to, the Scynexis Patent Rights listed in Exhibit D and the Scynexis Technology existing as of the Effective Date and licensed by Elanco hereunder, and that it has the right to enter into this Agreement.

9.4 **Representations & Warranties of the Parties to Each Other**. Scynexis and Elanco each represent and warrant that, as of the Effective Date, execution, delivery and performance of this Agreement have been duly authorized by all necessary action on the part of such Party, its officers and directors and does not conflict with, violate, or breach any agreement to which either Elanco or Scynexis is a party, or either Party's articles of incorporation or bylaws.

9.5 **Warranty and Disclaimer Concerning Intellectual Property**.

(a) Scynexis represents and warrants that, as of the Effective Date of this Agreement, Scynexis has not received any written notice from any Third Party asserting or alleging that the use the Scynexis Technology by Scynexis prior to the Effective Date infringed, will be subject to a royalty or payment or has misappropriated the intellectual property rights of such Third Party.

(b) Scynexis represents and warrants, as of the Effective Date of this Agreement and to Scynexis's actual knowledge, without any duty of inquiry, the research, development, manufacture, use and sale of any Elanco Compound or Product incorporating Scynexis Test Materials will not infringe upon the intellectual property rights of a Third Party.

(c) As of the Effective Date of the Agreement, there are no pending, and to Scynexis's knowledge no threatened, actions, suits or proceedings against Scynexis involving the Scynexis Technology.

(d) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH HEREIN, NEITHER PARTY MAKES ANY WARRANTIES, WRITTEN OR UNWRITTEN, EXPRESS OR IMPLIED, AND EACH PARTY EXPRESSLY DISCLAIMS ANY OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR TITLE.

(e) Without limiting the generality of the foregoing, each Party expressly does not warrant (i) the success of any research or development activities commenced under the Development Plan or (ii) the safety or usefulness for any purpose of the technology it provides hereunder.

9.6 **Limitations of Liability**.

(a) Except for the obligations of the Parties to indemnify each other under Sections 9.1 and 9.2 AND BREACHES OF SECTIONS 2, 6, AND 8, IN NO EVENT SHALL EITHER PARTY BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE OR OTHER INDIRECT OR SPECIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOST PROFITS OR REVENUE, WHETHER SUCH CLAIM IS BASED IN CONTRACT, IN TORT OR IN ANY OTHER LEGAL THEORY.

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(b) EXCEPT FOR THE OBLIGATIONS OF THE PARTIES TO INDEMNIFY EACH OTHER UNDER SECTIONS 9.1 AND 9.2 AND BREACHES OF SECTIONS 2, 6 AND 8, IN NO EVENT SHALL EITHER PARTY'S LIABILITY UNDER THIS AGREEMENT EXCEED THE AMOUNT ACTUALLY RECEIVED BY SCYNEXIS FROM ELANCO (NOT INCLUDING REIMBURSEABLE EXPENSES RECEIVED BY SCYNEXIS).

10. TERM & TERMINATION

10.1 **Term**. Except as otherwise provided in this Agreement, the term of this Agreement will commence on the Effective Date and end on the date of expiration of the last remaining Royalty Term. For the avoidance of doubt, expiration of the Agreement pursuant to this Section 10.1 will not preclude Elanco from continuing to market and sell Products or to use Elanco Compounds or Products after the term of this Agreement.

10.2 **Expiration of License**. For the avoidance of doubt, the license for the Field in the Territory granted by Scynexis to Elanco pursuant to Section 2.1(a) and (b) and all other rights granted to Elanco (other than those expressly stated to continue after expiration or termination of this Agreement), will cease upon the expiration or earlier termination of this Agreement, [*].

10.3 **Scynexis Termination For Cause and Consideration**. If Scynexis terminates this Agreement pursuant to Section 10.7, Scynexis will [*] and Elanco will [*].

10.4 **Elanco Termination For Cause and Consideration**. If Elanco terminates this Agreement pursuant to Section 10.7, Scynexis will [*] Elanco [*].

10.5 **Surviving Obligations**. Upon expiration or termination of this Agreement, the obligations which by their nature are intended to survive expiration or termination of this Agreement, will survive.

10.6 **Accrued Obligations**. Expiration or earlier termination of this Agreement for any reason, will not relieve the Parties of any obligation that accrued prior to such expiration or termination.

10.7 **Termination At Will**. Subject to the provisions of this Agreement, Elanco may terminate this Agreement upon [*] written Notice to Scynexis any time after termination or expiration of the Research Term. In the event Elanco terminates the Agreement pursuant to this Section [*] for an Elanco Compound and [*] for such Elanco Compound [*], Elanco will grant to Scynexis (i) a worldwide, perpetual, fully-paid, royalty-free, non-exclusive, license in the Field in the Territory with respect to any Elanco Know-How to research, develop, make, have made, use, sell, have sold, offer for sale, import, export and sub-license such Elanco Compounds or Products and (ii) a worldwide, royalty-bearing, exclusive, license (at the rates [*]) to research, develop, make, have made, use, sell, have sold, offer for sale, import, export and sub-license such Elanco Compounds or Products.

10.7 **Events of Default**. An event of default ("**Event of Default**") will have occurred and this Agreement may be terminated by the Party first named in each paragraph below in the following circumstances:

(a) **Material Breach**. By the non-breaching Party, if the breaching Party fails to remedy a material breach of this Agreement within [*] after Notice thereof detailing the breach has been given to the breaching Party by the non-breaching Party.

(b) **Failure of Elanco to Pay**. By Scynexis, if Elanco fails to make any payment not disputed in good faith as required under this Agreement within the period(s) identified in this Agreement after such payment becomes payable, and such failure is not remedied within [*] after Notice thereof from Scynexis.

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(c) **Bankruptcy**. By either Party, upon a proceeding in bankruptcy that is not dismissed within [*], insolvency, dissolution or winding up of the other Party.

10.8 **Termination Not Sole Remedy**. Termination is not the sole remedy under this Agreement, and, whether or not termination is effected, all other remedies will remain available except as the Parties have expressly agreed to otherwise herein.

11. MISCELLANEOUS

11.1 **Separate Entities / Disclaimer of Agency**. Scynexis and Elanco are and will remain separate independent entities. This Agreement will not constitute, create or otherwise imply a joint venture, partnership or formal business organization of any kind. Each Party to this Agreement will act as an independent contractor and not as an agent or legal representative of the other. Neither Party will have the right or authority to assume, create or incur any Third Party liability or obligation of any kind, express or implied, against or in the name of or on behalf of the other Party except as expressly set forth in this Agreement.

11.2 **Press Releases & Disclosures**. Neither Party will submit for written or oral publication any document, data, or other information generated and provided by the other Party during the term of this Agreement without first obtaining the prior written consent of the other Party, which consent will not be unreasonably withheld, especially as it relates to releases required for local fiscal reporting laws, filing regulations or stock rules relating to the Party or any Affiliate of the Party. The contributions of each Party will be noted in all publications, presentations, and press releases.

11.3 **Publicity**. Until [*], or [*], neither Party will disclose to the public, any information about this Agreement, including its existence, without the prior written consent of the other Party, which decision regarding consent will be communicated no later than [*] from the date of receipt of the request, except where required for local fiscal reporting laws, filing regulations or stock exchange rules relating to the Party or any Affiliate of the Party. Furthermore, neither Party shall use in advertising, publicity or otherwise the name or any trademark of the other Party without prior written consent.

11.4 **Force Majeure**. If either Party is affected by any extraordinary, unexpected and unavoidable event, including, without limitation, acts of God, floods, fires, riots, terrorism, war, accidents, labor disturbances, breakdown of plant or equipment, lack or failure of transportation facilities, unavailability of equipment, sources of supply or labor, raw materials, power or supplies, infectious diseases of animals, or by the reason of any law, order, proclamation, regulation, ordinance, demand or requirement of the relevant government or any sub-division, authority or representative thereof (provided that in all such cases the Party claiming relief on account of such event can demonstrate that such event was extraordinary, unexpected and unavoidable by the exercise of reasonable care) ("***Force Majeure***"), it will as soon as reasonably practicable notify the other Party of the nature and extent thereof and take all reasonable steps to overcome the *Force Majeure* and to minimize the loss occasioned to that other Party. Neither Party will be deemed to be in breach of this Agreement or otherwise be liable to the other Party by reason of any delay in performance or nonperformance of any of its obligations hereunder to the extent that such delay and nonperformance is due to any Force Majeure of which it has notified the other Party and the time for performance of that obligation will be extended accordingly. Notwithstanding the foregoing sentence, should the Force Majeure continue for more than [*], then the other Party shall have the right to terminate this Agreement immediately upon Notice of termination delivered to the affected Party.

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11.5 **Assignment**. This Agreement may not be assigned or otherwise transferred by either Party without the prior written consent of the other Party, which consent will not be unreasonably withheld or delayed; provided, however, that each of the Parties may, without such consent, assign this Agreement and its rights and obligations hereunder to its Affiliates or in connection with the transfer or sale of all or substantially all of the portion of its business to which this Agreement relates, or in the event of its merger or consolidation or change in control or similar transaction or, in the case of Scynexis, the creation of a special purpose corporation or design and development limited partnership. Any permitted assignee will assume all obligations of its assignor under this Agreement in writing prior to the assignment. Any purported assignment in violation of the preceding sentences will be void.

11.6 **Notices**. Any consent, notice or report required or permitted to be given or made under this Agreement by one of the Parties hereto to the other Party (a "**Notice**") will be delivered in writing by one of the following means: delivered personally; sent via e-mail with express confirmation from the addressee of its receipt; by facsimile (and promptly confirmed by personal delivery or courier); by a reputable, commercial courier; or by U.S. mail postage prepaid (where applicable), and addressed to such other Party at its address indicated below, or to such other address as the addressee will have last furnished in writing to the addressor and will be effective upon receipt by the addressee. Such Notices will be effective within three (3) business days of the postmark or transmittal date or when delivered to the addressee, whichever is earlier.

If to Scynexis:

SCYNEXIS, Inc.
3501C Tricenter Blvd
Durham, NC 27713
Attn: Vice President, Animal Health

With copy to:

SCYNEXIS, Inc.
3501C Tricenter Blvd
Durham, NC 27713
Attn: General Counsel

If to Elanco:

For General Notices:

Elanco Animal Health
Greenfield Laboratories
2500 Innovation Way / P.O. Box 708
Greenfield, IN 46140

Attention: Legal Department
Fax: 317-276-9434
E-mail: elancolegal@elanco.com

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

For Notices related to Intellectual Property
Elanco Animal Health
Greenfield Laboratories
2500 Innovation Way / P.O. Box 708
Greenfield, IN 46140

Attention: General Patent Counsel/EAM
Fax: 317- 276-3861
E-mail: elancolegal@elanco.com

11.7 **Execution of Agreement**. This Agreement may be executed by original or facsimile signature in several counterparts, all of which shall be deemed to be originals, and all of which shall constitute one and the same Agreement. Notwithstanding the foregoing, the Parties shall deliver original execution copies of this Agreement to one another as soon as practicable following execution thereof.

11.8 **Waiver**. The waiver by a Party of a breach or a default of any provision of this Agreement by the other Party shall be in writing only, shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of a Party to exercise or avail itself of any right, power or privilege that it has or may have hereunder and shall not operate as a waiver of any right, power or privilege by such Party.

11.9 **Entire Agreement**. This Agreement and the Exhibits hereto (which Exhibits are deemed to be a part of this Agreement for all purposes) contain the full understanding of the Parties with respect to the subject matter hereof and supersede all prior understandings and writings relating thereto. No waiver, alteration or modification of any of the provisions hereof shall be binding unless made in writing and signed by the Parties.

11.10 **Headings**. The headings contained in this Agreement are for convenience of reference only and shall not be considered in construing this Agreement.

11.11 **Severability**. In the event that any provision of this Agreement is held by a court of competent jurisdiction to be unenforceable because it is invalid or in conflict with any law of any relevant jurisdiction, the validity of the remaining provisions shall not be affected, and the Parties shall negotiate a substitute provision that, to the extent possible, accomplishes the original business purpose. During the period of such negotiation, and thereafter if no substituted provision is agreed upon, any such provision which is enforceable in part but not in whole shall be enforced to the maximum extent permitted by law.

11.12 **Successors and Assigns**. Except as otherwise provided herein, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their successors and permitted assigns under Section 11.5 of this Agreement.

11.13 **Independent Contractors**. It is understood and agreed that the relationship between the Parties hereunder is that of independent contractors and that nothing in this Agreement shall be construed as authorization for either Scynexis or Elanco to act as agent for the other.

11.14 **No Third Party Beneficiaries**. No person or entity other than Scynexis, Elanco and their respective Affiliates and permitted assignees hereunder shall be deemed an intended beneficiary hereunder or have any right to enforce any obligation of this Agreement.

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11.15 **Governing Law; Jurisdiction**. This Agreement shall be governed by and construed in accordance with the laws of the State of [*] applicable therein, without regard to any conflict of law principles.

11.16 **Change Control**. The use of Affiliate shall exclude any Third Party (and its affiliates) that becomes an Affiliate of a Party due to such Third Party's acquisition (however structured, including by merger, acquisition of stock, acquisition of all or substantially all assets or otherwise) of such Party or the acquisition (however structured, including by merger, acquisition of stock, acquisition of all or substantially all assets or otherwise) by a Party of a Third Party.

12. DISPUTE RESOLUTION

12.1 **Dispute Resolution**. In the event of a dispute, controversy or claim under or relating to this Agreement (a "Dispute"), the Parties shall refer such dispute as follows:

(a) Informal Dispute Resolution: Within [*] of the notice of dispute, the key executives for each shall meet to negotiate resolution of such dispute.

(b) Mediation: In the event that parties are not able to resolve the dispute through informal dispute resolution, the parties will mediate the dispute before a nationally recognized mediator agreeable to both parties within [*] of the notice of dispute.

(c) Arbitration: In the event that the parties are not able to resolve the dispute through mediation within [*] of the notice of dispute, then the dispute shall be finally resolved by arbitration in accordance with the International Institute for Conflict Prevention and Resolution Rules for Non-Administered Arbitration by three arbitrators, of whom each party shall appoint one from the CPR National Panels of Distinguished Neutrals and the selected arbitrators selecting the neutral arbitrator from the CPR National Panels of Distinguished Neutrals. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1 et seq., and judgment upon the award rendered by the arbitrator's) may be entered by any court having jurisdiction thereof. The place of the arbitration shall be in a location mutually agreed to by the parties. The parties agree that they shall present the dispute to the panel of arbitrators within [*] of the notice of dispute with the panel of arbitrators issuing their ruling within [*] of the notice of dispute resolution. The arbitral tribunal may extend this time limit in the interest of justice. Failure to adhere to this time limit shall not constitute a basis for challenging the award.

(d) The Parties hereby submit and consent to the dispute resolution provisions provided in this Agreement as the exclusive jurisdiction for such disputes and irrevocably agree that all actions or proceedings relating to this Agreement and any dispute shall be litigated as provided herein, and each of the Parties waives any objection which it may have based on improper venue or forum non conveniens to the conduct of any such action or proceeding in such venue. Any such legal remedies in an arbitration, court or judicial body of competent jurisdiction shall be conducted in the English language.

12.2 **No Delay in Unrelated Payments**. In the event of a Dispute, a Party shall have no right to toll or delay any payment or other obligation in this Agreement unrelated to the Dispute as a result of the Dispute.

13. COMPLIANCE

13.1 **Mutual Covenant**. Each Party shall ensure that it and its activities under this Agreement shall at all times comply with all applicable laws, regulations and industry codes. Each party represents that any funds paid to the other pursuant to this Agreement are not proceeds of any illegal activity.

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13.2 **Notice of Inspections**. Scynexis shall provide Elanco with immediate notice of any governmental or regulatory review, audit or inspection of its facility, processes, or products that might relate to the goods, software, or services furnished Elanco under this Agreement. Scynexis shall provide Elanco with the results of any such review, audit or inspection. Elanco shall be given the opportunity to provide assistance to Scynexis in responding to any such review, audit or inspection.

13.3 **Books and Records**. During the term of this Agreement and for a period of [*] thereafter, the records of each Party relating to the performance of its duties and obligations under this Agreement shall be open to inspection and subject to audit and reproduction by the other Party or other Party's agent or representative.

13.4 **Anti-Corruption Laws**. In carrying out their responsibilities under this Agreement, the Parties shall comply with all applicable anti-corruption laws in the countries where the Parties have their principal places of business and where they conduct activities under this Agreement. Additionally, the Parties understand and agree to comply with the U.S. Foreign Corrupt Practices Act, as revised, which generally prohibits the promise, payment or giving of anything of value either directly or indirectly to any government official for the purpose of obtaining or retaining business or any improper advantage. For purposes of this section, "government official" means any official, officer, representative, or employee of, including any doctor employed by, any non-U.S. government department, agency or instrumentality (including any government-owned or controlled commercial enterprise), or any official of a public international organization or political party or candidate for political office. Additionally, each Party represents to the other Party that neither it nor any of its owners, directors, employees, agents, consultants (1) is a government official, or will directly or indirectly (2) pay or give or promise to pay or give anything of value to any government official for purposes of (A) influencing any act or decision of such government official in his official capacity; (B) inducing such government official to do or omit to do any act in violation of the lawful duty of such official; (C) securing any improper advantage; or (D) inducing such government official to use his influence with the government or instrumentality thereof to affect or influence any act or decision of the government or such instrumentality with respect to any activities undertaken relating to this Agreement. Additionally, the Parties will make reasonable efforts to comply with requests for information, including answering questionnaires and narrowly tailored audit inquiries, to enable the other Party to ensure compliance with applicable anti-corruption laws.

13.5 **Early Termination**. The Parties agree that a breach of these Anti-Corruption Commitments shall be considered a material breach of this Agreement and that either Party may immediately seek all remedies available under law and equity including termination of this Agreement if it believes, in good faith, that the warranties under these Anti-Corruption Commitments have been breached by the other Party without owing to the other any damages or indemnification resulting from such termination.

[Signature page follows]

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EXECUTED

Signed on behalf of

Eli Lilly and Company, operating through its Elanco Animal Health division)

by an authorized officer

/s/Jeffrey N. Simmons

Signature of Authorized Officer

Jeffrey N. Simmons

Name of Authorized Officer (please print)

1/8/14

Date Signed

Signed on behalf of

Scynexis, Inc.
by an authorized officer

/s/Yves J. Ribeill

Signature Authorized Officer

Yves J. Ribeill

Name of Authorized Officer (please print)

01/10/2014

Date Signed

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit A

Primary Contact Persons

[*]

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit B

SCYNEXIS Test Materials

[*]

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit C

Draft Development Plan [*]

[*]

[*] = Certain confidential information contained in this document, marked by brackets, is filed with the Securities and Exchange Commission pursuant to Rule 406 of the Securities Act of 1933, as amended.

Exhibit D

SCYNEXIS Patent Rights

Reference	Application No.	Filing Date	Type
[*]			

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Exhibit 10.30

SCYNEXIS, INC.

SERIES C-2 PREFERRED STOCK PURCHASE AGREEMENT

This SERIES C-2 PREFERRED STOCK PURCHASE AGREEMENT (this "**Agreement**"), dated as of March 11, 2008, by and among Scynexis, Inc., a Delaware corporation formerly known as ScyRex, Inc. and as SCYNEXIS Chemistry & Automation, Inc. ("**SCYNEXIS**" or the "**Company**"), Merial Limited, a company limited by shares registered in England and Wales (registered number 3332751) with a registered office at PO Box 327, Sandringham House, Sandringham Avenue, Harlow Business Park, Harlow, Essex CM19 5TG, England, and domesticated in Delaware, USA as Merial LLC ("**Merial**") and S.R. One, Limited ("**SR One**" and, together with Merial, the **"Investors"**).

RECITALS

WHEREAS, the Company has authorized the sale and issuance of an aggregate of up to Two Million Three Hundred Forty-Seven Thousand Eight Hundred Twenty-Six (2,347,826) shares of its Series C-2 Preferred Stock (the "**Shares**");

WHEREAS, the Investors desire to purchase the Shares on the terms and conditions set forth herein; and

WHEREAS, the Company desires to issue and sell the Shares to the Investors on the terms and conditions set forth herein.

STATEMENT OF AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I.
ISSUANCE AND SALE OF SERIES C-2 PREFERRED STOCK

1.1 The Purchase.

(a) The Company has authorized (i) the sale and issuance to the Investors of the Shares and (ii) the issuance of such shares of Common Stock to be issued upon conversion of the Shares (the "**Conversion Shares**"). The Shares and the Conversion Shares have the rights, preferences, privileges and restrictions set forth in the Third Amended and Restated Certificate of Incorporation of the Company, in the form attached hereto as **Exhibit A** (the "**Restated Charter**").

(b) At the Closing (as defined in Section 1.2), the Investors shall purchase from the Company, and the Company shall sell and issue to the Investors the Shares at a purchase price of $5.75 per share. Subject to the other provisions of this Article I, the purchase price to be paid by the Investors for the Shares purchased at the Closing is $13,499,999.50. The purchase price to be paid and the number of Shares to be sold is allocated among Merial and SR One as set forth on **Schedule I** hereto.

1.2 The Closing. The closing of the transactions contemplated by this Agreement (the "**Closing**") shall take place at 12:00 p.m. on the date hereof at the offices of Paul, Hastings, Janofsky & Walker LLP, 600 Peachtree Street, N.E., Suite 2400, Atlanta, Georgia 30308, or at such other date, time, or location as mutually agreed upon by the Company and Merial.

1.3 Actions to Occur at the Closing. At the Closing, the following actions shall occur:

(a) The Company will deliver to the Investors certificates representing the Shares to be purchased at the Closing by such Investors, in accordance with the allocations set forth on Schedule I, against payment of the purchase price therefor by check or wire transfer made payable to the order of the Company.

(b) The Company will deliver to the Investors each of the following, executed by the Company and such parties thereto as is sufficient to amend the agreement which it purports to amend:

(i) A Second Amended and Restated Investor Rights Agreement, substantially in the form of **Exhibit B** hereto (the "**Restated Investor Rights Agreement**");

(ii) An Amended and Restated Right of First Refusal and Co-Sale Agreement, substantially in the form of **Exhibit C** hereto (the "**Restated Co-Sale Agreement**"); and

(iii) An Amended and Restated Voting Agreement, substantially in the form of **Exhibit D** hereto (the "**Restated Voting Agreement**" and, collectively with this Agreement, the Restated Investor Rights Agreement, and the Restated Co-Sale Agreement, the "**Transaction Documents**").

(c) The Investors shall deliver to the Company the following, duly authorized and executed by the Investors:

(i) The Restated Investor Rights Agreement;

(ii) The Restated Co-Sale Agreement; and

(iii) The Restated Voting Agreement.

(d) The board of directors and stockholders of the Company shall have approved the adoption of the Restated Charter and the Restated Charter shall be in full force and effect at the Closing.

(e) The board of directors and stockholders of the Company shall have approved the adoption of the amendments to the Company's Amended and Restated Bylaws, substantially in the form of **Exhibit E** hereto (the "**Bylaw Amendments**") and the Bylaw Amendments shall be in full force and effect at the Closing.

(f) The Company shall deliver to the Investors purchasing Shares at the Closing a certificate, signed by the Secretary of the Company, and having attached thereto: (i) a certified copy of the Company's Restated Charter as in effect at the time of the Closing, (ii) the Company's Bylaws (including the Bylaw Amendments) as in effect at the time of the Closing, (iii) resolutions approved by the Board of Directors authorizing the transactions contemplated hereby, (iv) resolutions approved by the Company's stockholders authorizing the filing of the Restated Charter and the Bylaw Amendments, and (v) good standing certificates (including tax good standing) with respect to the Company from the applicable authority(ies) in Delaware and any other jurisdiction in which the Company is qualified to do business, dated a recent date before the Closing.

(g) Merial shall receive from Cooley Godward LLP, counsel for the Company, an opinion addressed to Merial, dated as of the date of the Closing, in the form of Exhibit F hereto.

ARTICLE II.
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth on a Schedule of Exceptions (which Schedule of Exceptions shall be arranged in separate sections corresponding to the numbered and lettered sections contained in this Agreement) delivered by the Company to the Investors at the Closing, the Company hereby represents and warrants to the Investors as of the date hereof as follows (where the phrases "to the knowledge of the Company," "to the Company's knowledge" or similar phrases are used, this indicates the actual knowledge of those Company's executive officers identified on **Schedule II** hereto without investigation or inquiry):

2.1 Organization and Good Standing; Power and Authority; Qualifications. The Company (i) is an entity duly organized, validly existing and in good standing under the laws of the State of Delaware, (ii) has all requisite power and authority to own, lease and operate its properties and to carry on its business as presently conducted and as proposed to be conducted and (iii) has all requisite power and authority to enter into this Agreement and the Transaction Documents, to issue and sell the Shares and the Conversion Shares, and to carry out the provisions of this Agreement, the Transaction Documents and the Restated Charter. The Company is qualified to transact business as a foreign entity in, and is in good standing under the laws of, the State of North Carolina under its name, which is the only jurisdiction wherein the character of the property owned or leased or the nature of the activities conducted by it makes such qualification necessary.

2.2 Authorization of the Transaction Documents. All corporate action on the part of the Company, its officers, directors and stockholders necessary for the authorization of this Agreement and the Transaction Documents, the performance of all obligations of the Company hereunder and thereunder at the Closing and the authorization, sale, issuance and delivery of the Shares pursuant hereto and the Conversion Shares pursuant to the Restated Charter has been taken. This Agreement and the Transaction Documents, when executed and delivered, will be valid and binding obligations of the Company enforceable in accordance with their terms, except to the extent that enforceability may be limited by (a) bankruptcy, insolvency or other similar laws of general application affecting enforcement of creditors' rights, or (b) general principles of equity that restrict the availability of equitable remedies. The sale of the Shares and the subsequent conversion of the Shares into Conversion Shares are not and will not be subject to any preemptive rights or rights of first refusal that have not been properly waived or complied with.

2.3 Capitalization.

(a) The authorized capital stock of the Company, immediately prior to the Closing, consists of (i) Forty Million (40,000,000) shares of Common Stock, Three Million Six Hundred Ninety-Two Thousand Seven Hundred Fifty-Nine (3,692,759) shares of which are issued and outstanding and Seven Thousand Five Hundred Twenty (7,520) shares of which are reserved for issuance under outstanding Common Stock warrants and Sixteen Million Twenty-Five Thousand Eight Hundred Twenty-Six (16,025,826) shares of which are reserved for issuance upon conversion of outstanding Preferred Stock and Preferred Stock Warrants, and (ii) Ten Million (10,000,000) shares of Preferred Stock. Of the Preferred Stock, Thirty-One Thousand Four Hundred Ten (31,410) shares are designated Series A Preferred Stock, Thirty-One Thousand Four Hundred Seven (31,407) shares of which are outstanding; Seven Hundred Eleven Thousand Nine Hundred Eighty-Seven (711,987) shares are designated Series B Preferred Stock, Seven Hundred Eleven Thousand Nine Hundred Eighty-Seven (711,987) shares of which are outstanding; Two Million Nine Hundred Sixty-Seven Thousand Six Hundred Seventy-Eight (2,967,678) shares are designated Series C Preferred Stock, Two Million Nine Hundred Sixty-Seven Thousand Six Hundred Seventy-Eight (2,967,678) shares of which are issued and outstanding; Three Million Seventy-Six Thousand Nine Hundred Twenty-Three (3,076,923) shares are designated Series C-1 Preferred Stock, Nine Hundred Eighty-Four Thousand Six Hundred Fifteen (984,615) shares of which are issued and outstanding and One Hundred Ninety-Six Thousand Nine Hundred Twenty-Three (196,923) shares of which are reserved for issuance under outstanding Series C-1 Warrants; and Two Million Three Hundred Forty-Seven Thousand Eight Hundred Twenty-Six (2,347,826) shares are designated Series C-2 Preferred Stock, none of which are issued and outstanding immediately prior to the Closing.

(b) As of the date hereof, under the Company's Stock Option Plan (the "**Option Plan**"), the Company's now terminated All Employee Share Ownership Plan (the "**AESOP**") and the Company's now terminated Company Share Ownership Sub-Plan (the "**CSOP**" and, collectively with the Option Plan and the AESOP, the "**Plans**"), (i) 890,951 shares have been issued pursuant to the Plans, (ii) options to purchase 3,029,888 shares have been granted and are currently outstanding and (iii) 427,697 shares of Common Stock remain available for future issuance to officers, directors, employees and consultants of the Company. Other than a recent increase of 645,000 in the number of shares of Common Stock available for issuance under the Option Plan to officers, directors, employees and consultants of the Company, there have been no changes in such numbers as of the Closing that are not in the ordinary course and consistent with past practice. The Company has not made any representations regarding equity incentives to any officer, employee, director or consultant that are inconsistent with the share amounts and terms set forth in the Company's board minutes.

(c) Other than (i) the shares reserved for issuance under the Plans, (ii) warrants to purchase 7,520 shares of Common Stock and (iii) warrants to purchase 196,923 shares of Series C-1 Preferred Stock, and except as may be granted pursuant to this Agreement and the Transaction Documents, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal), proxy or stockholder agreements, or agreements of any kind for the purchase or acquisition from the Company of any of its securities. All such preemptive rights have been properly complied with or waived with respect to all prior issuances of capital stock and with respect to the issuance of the Shares and Conversion Shares.

(d) All issued and outstanding shares of the Company's Common Stock and Preferred Stock have been duly authorized and validly issued, are fully paid and nonassessable, and were issued in compliance with all applicable state and federal laws concerning the issuance of securities; and all issued and outstanding shares of the Company's Common Stock are subject to a right of first refusal in favor of the Company upon transfer.

(e) The rights, preferences, privileges and restrictions of the Shares are as stated in the Restated Charter. Each series of outstanding Preferred Stock is convertible into Common Stock at the following conversion prices as of the date hereof: $1.99 as to the Series A Preferred Stock; $2.2525 as to the Series B Preferred Stock; $2.5375 as to the Series C Preferred Stock; and $3.25 as to the Series C-1 Preferred Stock. The consummation of the transactions contemplated hereunder will not result in any anti-dilution adjustment or other similar adjustment to the outstanding shares of Preferred Stock. The Conversion Shares have been duly and validly reserved for issuance. When issued in compliance with the provisions of this Agreement and the Restated Charter, the Shares and the Conversion Shares will be validly issued, fully paid and nonassessable, and will be free of any liens or encumbrances other than (i) liens and encumbrances created by or imposed upon the Investors and (ii) any right of first refusal set forth in the Company's Bylaws; provided, however, that the Shares and the Conversion Shares 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.

(f) All outstanding shares of Common Stock and Preferred Stock, and all shares of Common Stock and Preferred Stock issuable upon the exercise or conversion of outstanding options, warrants or other exercisable or convertible securities are subject to a market standoff or "lockup" agreement for a period not to exceed 180 days following the Company's initial public offering.

2.4 Financial Statements. The Company has made available to the Investors (a) its audited balance sheets as of December 31, 2006 and 2005 and audited statement of income and cash flows for the twelve months ending December 31, 2006 and 2005, and (b) its unaudited balance sheet as of December 31, 2007 (the "**Balance Sheet Date**") and an unaudited consolidated statement of income and cash flows for the twelve month period ending on the Balance Sheet Date (collectively, the "**Financial Statements**"). The Financial Statements have been prepared in accordance with generally accepted accounting principles ("**GAAP**") applied on a consistent basis throughout the periods indicated, except as disclosed therein, and except for any notes that might be required under GAAP, and present fairly in all material respects the financial condition and position of the Company as of the dates, and for the periods, indicated therein, subject in the case of the unaudited Financial Statements to normal year-end audit adjustments. The Company maintains and will continue to maintain a standard system of accounting established and administered in accordance with GAAP.

2.5 Absence of Undisclosed Liabilities. The Company has no material liabilities, debts or obligations, whether accrued, absolute, contingent or otherwise, and whether due or to become due, including without limitation liabilities on account of taxes, other governmental charges or lawsuits, other than liabilities reflected in the Financial Statements and liabilities incurred in the ordinary course of business since the Balance Sheet Date which have not been, either in any individual case or in the aggregate, materially adverse to the Company.

2.6 Absence of Material Changes. Since the Balance Sheet Date: (a) the Company has not entered into any transaction which was not in the ordinary course of business; (b) there has been no materially adverse change in the condition (financial or otherwise), business, prospects, property, assets or liabilities of the Company; (c) there has been no change to, destruction of or loss of physical property (whether or not covered by insurance) materially and adversely affecting the business or operations of the Company as conducted or currently proposed to be conducted; (d) the Company has not increased the compensation of any of its officers, or the rate of pay of its employees as a group; (e) there has been no resignation or termination of employment of any key officer of the Company, and the Company does not know of the impending resignation or termination of employment of any such key officer that, if consummated, would have a materially adverse effect on its business; (f) there has been no labor dispute involving the Company or its employees and none is pending or, to the Company's knowledge, threatened; (g) there has not been any material change, except in the ordinary course of business, in the contingent obligations of the Company, by way of guaranty, endorsement, indemnity, warranty or otherwise; (h) there has not been any other event or condition of any character that, either individually or cumulatively, has materially and adversely affected the business, assets, liabilities, financial condition, prospects or operations of the Company; (i) there has been no change in any material agreement to which the Company is a party or by which it is bound which materially and adversely affects the business, assets, liabilities, financial condition, operations or prospects of the Company; (j) there has been no waiver or compromise by the Company of any valuable right or any material debt owed to the Company; and (k) the Company has not made any arrangement or commitment to do any of the acts described in subsections (a) through (j) of this Section 2.6.

2.7 No Conflict. The execution, delivery and performance by the Company of its obligations under this Agreement and the Transaction Documents and the consummation by the Company of the transactions contemplated hereby and thereby will not (a) violate any provision of law, statute, rule or regulation, or any ruling, writ, injunction, order, judgment or decree of any court, administrative agency or other governmental body applicable to it, or any of its properties or assets, (b) conflict with or result in any breach of any of the terms, conditions or provisions of, or constitute (with due notice or lapse of time, or both) a default (or give rise to any right of termination, cancellation or acceleration) under, or result in the creation of any lien or other encumbrance upon any of its properties or assets under, any contract to which it is a party or the suspension, revocation, impairment, forfeiture or nonrenewal of any permit, license, authorization or approval applicable to the Company, its business or operations or any of its assets or properties or (c) violate its Restated Charter or Bylaws.

2.8 Agreements.

(a) Except for agreements explicitly contemplated hereby and agreements between the Company and its employees with respect to the sale of the Company's Common Stock (including stock option agreements), there are no agreements, understandings or proposed transactions between the Company and any of its officers, directors, employees, affiliates or any affiliate thereof.

(b) There are no agreements, understandings, instruments, contracts, proposed transactions, judgments, orders, writs or decrees to which the Company is a party or to its knowledge by which it is bound which may involve (i) future obligations (contingent or otherwise) of, or payments to, the Company in excess of $50,000 (other than obligations of, or payments to, the Company arising from purchase or sale agreements entered into in the ordinary course of business), or (ii) the transfer or license of any patent, copyright, trade secret or other proprietary right to or from the Company (other than licenses by the Company of "off the shelf" or other standard products, or to the Company's technology and software in the ordinary course of its service business), or (iii) provisions restricting the development, manufacture or distribution of the Company's products or services, or (iv) indemnification by the Company with respect to infringements of proprietary rights (other than indemnification obligations arising from service, purchase, sale or license agreements entered into in the ordinary course of business).

(c) The Company has not (i) declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, (ii) incurred or guaranteed any indebtedness for money borrowed or any other liabilities (other than as disclosed in the Financial Statements) individually in excess of $25,000 or in excess of $50,000 in the aggregate, (iii) made any loans or advances to any person (including employees, officers and directors of the Company), other than ordinary advances for travel expenses, or (iv) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business.

(d) For the purposes of subsections (b) and (c) above, all indebtedness, liabilities, agreements, understandings, instruments, contracts and proposed transactions involving the same person or entity (including persons or entities the Company has reason to believe are affiliated therewith) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such subsections.

(e) The Company has not engaged in the past three (3) months in any discussion (i) with any representative of any corporation or corporations regarding the consolidation or merger of the Company with or into any such corporation or corporations, (ii) with any corporation, partnership, association or other business entity or any individual regarding the sale, conveyance or disposition of all or substantially all of the assets of the Company, or a transaction or series of related transactions in which more than fifty percent (50%) of the voting power of the Company is disposed of, or (iii) regarding any other form of acquisition, liquidation, dissolution or winding up, of the Company.

2.9 Intellectual Property Rights.

(a) The Company owns or has the right to use pursuant to license, sublicense, agreement or permission all Intellectual Property (as defined below), individually or in the aggregate, material to the operation of its business. To the knowledge of the Company, the Company has not interfered with, infringed upon or misappropriated any Intellectual Property rights of third parties and, to the Company's knowledge, the business conducted and proposed to be conducted by the Company will not interfere with, infringe upon or misappropriate any Intellectual Property rights of third parties; and none of the Company nor Yves J. Ribeill, Chuck Osborne, Brian Schwab, Scott Huber, Jeff Clark, Kerrie Powell, Loic LeHir de Fallois, Clare Murray, Phil Timmons, Ann Sluder or Mike Garrett (each a "**Key Employee**" and collectively

the "**Key Employees**") has received any charge, complaint, claim, demand or notice alleging any such interference, infringement or misappropriation (including any claim that it must license or refrain from using any Intellectual Property rights of any third party). To the knowledge of the Company (including the Key Employees), no third party has interfered with, infringed upon or misappropriated any Intellectual Property rights of the Company.

(b) There are no outstanding options, licenses or agreements of any kind relating to the Company's Intellectual Property, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property of any other person or entity other than such licenses or agreements arising from the purchase of "off the shelf" or standard products, or in the ordinary course of the Company's service business.

(c) The Company has not disclosed any of the Intellectual Property in a manner that would materially and adversely affect the Company, other than to persons subject to agreements regarding the confidential treatment thereof.

(d) The Company is not aware that any of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with their duties to the Company or that would conflict with the Company's business as conducted or proposed to be conducted. Each former and current employee, officer and consultant of the Company has executed a Confidentiality, Inventions and Non-Competition Agreement in the form of **Exhibit G (the "Non-Competition Agreement")**. No former or current employee, officer or consultant of the Company has excluded works or inventions made prior to his or her employment with the Company from his or her assignment of inventions pursuant to such employee, officer or consultant's Non-Competition Agreement. The Company does not believe it is or will be necessary to utilize any inventions, trade secrets or proprietary information of any of its employees made prior to their employment by the Company, except for inventions, trade secrets or proprietary information that have been assigned to the Company.

(e) "**Intellectual Property**" means (i) all worldwide inventions and discoveries (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents, patent applications and patent disclosures, together with all reissuances, continuations, continuations-in-part, revisions, extensions and reexaminations thereof, (ii) all trademarks, service marks, trade dress, logos, trade names and corporate names, together with all translations, adaptations, derivations and combinations thereof and including all goodwill associated therewith, and all applications, registrations and renewals in connection therewith, (iii) all copyrightable works, all copyrights and all applications, registrations and renewals in connection therewith, (iv) all mask works and all applications, registrations and renewals in connection therewith, (v) all know-how, trade secrets and confidential business information, whether patentable or unpatentable and whether or not reduced to practice (including ideas, research and development, know-how, formulas, compositions, manufacturing and production process and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information and business and marketing plans and proposals), (vi) all computer software (including data and related documentation), (vii) all other proprietary rights, (viii) all copies and tangible embodiments thereof (in whatever form or medium) and (ix) all licenses and agreements in connection therewith.

2.10 Subsidiaries and Equity Investments. The Company has never had, nor does it have, any subsidiaries, nor has it owned, nor does it own, whether directly or indirectly owned, any capital stock or other proprietary interest, directly or indirectly, in any corporation, association, trust, partnership, joint venture or other entity.

2.11 Corporate Minute Books. The corporate records of the Company contain a complete summary of all meetings and actions by the Company's Board of Directors and stockholders, and are correct and complete in all respects. True and correct copies thereof have been provided to Merial and/or its legal counsel.

2.12 Employee Benefit Plans. The Company has no plan, program, policy, contract, agreement or other arrangement providing for compensation, severance, termination pay, performance awards, stock or stock-related awards, fringe benefits or other employee benefits of any kind, whether funded or unfunded, written or oral, which is now sponsored, maintained, contributed to or required to be contributed to by the Company or pursuant to which it has any liability, contingent or otherwise, including, but not limited to, any "employee benefit plan" within the meaning of Section 3(3) of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"). Section 2.12 of the Schedule of Exceptions lists each management, employment, bonus, option, equity (or equity related), severance, consulting, noncompete, confidentiality or similar agreement or contract, pursuant to which the Company has any liability, contingent or otherwise, between the Company and any current, former or retired employee, officer, consultant, independent contractor, agent or director of the Company. The Company does not sponsor, maintain, contribute to, or is required to contribute to, nor has it ever sponsored, maintained, contributed to or been required to contribute to, or incurred any liability to: (a) any "defined benefit plan" (as defined in ERISA Section 3(35)); (b) any "multiemployer plan" (as defined in ERISA Section 3(37)); or (c) any benefit plan that provides, or has any liability to provide, life insurance, medical, severance or other employee welfare benefits to any employee upon his or her retirement or termination of employment, except as required by Section 4980B of the Internal Revenue Code of 1986, as amended (the "**Code**"). Neither the Company nor any of its affiliates is (i) a member of a "controlled group of corporations," under "common control" or an "affiliated service group" within the meaning of Sections 414(b), (c) or (m) of the Code, (ii) required to be aggregated under Section 414(o) of the Code, or (iii) under "common control," within the meaning of Section 4001(a)(14) of ERISA, or any regulations promulgated or proposed under any of the foregoing Sections, in each case with any other entity.

2.13 Labor Relations; Employees. The Company is not delinquent in payments to any of its employees for any wages, salaries, commissions, bonuses or other direct compensation for any services performed or amounts required to be reimbursed by them. The Company is in compliance with all applicable federal, state and local laws, rules and regulations respecting employment, employment practices, labor, terms and conditions of employment and wages and hours, and is not bound by nor subject to (and none of its assets or properties is bound by or subject to) any written or oral, express or implied, commitment or arrangement with any labor union, and no labor union has requested or, to the knowledge of the Company, has sought to represent any of the employees, representatives or agents of the Company. There is no labor strike, dispute, slowdown or stoppage actually pending or, to the knowledge of the Company, threatened against or involving the Company. To the Company's knowledge, no employee of the Company, nor any consultant with whom the Company has contracted, is in violation of any

term of any employment contract, proprietary information agreement or any other agreement relating to the right of any such individual to be employed by, or to contract with, the Company; and to the Company's knowledge the continued employment by the Company of its present employees, and the performance of the Company's contracts with its independent contractors, will not result in any such violation. The Company has not received any notice alleging that any such violation has occurred. No employee of the Company has been granted the right to continued employment by the Company or to any material compensation following termination of employment with the Company. To the knowledge of the Company, no employee has any plans to terminate his or her employment with the Company nor does the Company have a present intention to terminate the employment of any officer, Key Employee or group of employees. There are no actions pending, or to the Company's knowledge, threatened, by any former or current employee concerning such person's employment by the Company. To the knowledge of the Company, each of the Key Employees is entitled lawfully to reside in the United States and perform services for the Company. Without limiting the generality of the foregoing, to the knowledge of the Company, the employment by the Company of each of the Key Employees does not violate any applicable law and each Key Employee has all necessary visas, permits and other governmental authorizations necessary to reside in the United States and to be employed by the Company. No visa fees are due or payable by the Company in order to maintain the right of any Key Employee to continue to be employed by the Company in the United States.

2.14 Litigation; Orders. There is no civil, criminal or administrative action, suit, claim, notice, hearing, inquiry, proceeding or investigation at law or in equity ("**Proceeding**") by or before any court, arbitrator or similar panel, governmental instrumentality or other agency now pending or, to the knowledge of the Company, threatened against the Company or the assets or the business of the Company. The foregoing includes, without limitation, actions pending or, to the Company's knowledge, threatened or any basis therefor known by the Company involving the prior employment of any of the Company's employees, their use in connection with the Company's business of any information or techniques allegedly proprietary to any of their former employers, or their obligations under any agreements with prior employers. The Company is not subject to any order, writ, injunction or decree of any court of any federal, state, municipal or other domestic or foreign governmental department, commission, board, bureau, agency or instrumentality. There is no action, suit, proceeding or investigation by the Company currently pending or which the Company intends to initiate.

2.15 Compliance with Laws; Permits. To the Company's knowledge, the Company (a) has complied in all material respects with all federal, state, local and foreign laws, rules, ordinances, codes, consents, authorizations, registrations, regulations, decrees, directives, judgments and orders materially applicable to it and its business and (b) has all federal, state, local and foreign governmental licenses, permits and qualifications necessary in the conduct of its business as currently conducted, such licenses, permits and qualifications are in full force and effect, and no violations have been recorded in respect of any such licenses, permits and qualifications, and no proceeding is pending or, to the knowledge of the Company, threatened to revoke or limit any such license, permit or qualification.

2.16 Compliance with Securities Laws. The offer and sale of the Shares as contemplated hereby and the issuance and delivery of the Conversion Shares to the Investors upon the conversion of the Shares are each exempt from registration under the Securities Act of 1933, as amended (the "**Securities Act**"), and under applicable state securities and "blue sky" laws, as currently in effect. All shares of capital stock and other securities issued by the Company at or prior to the Closing have been issued in transactions exempt from registration under the Securities Act, and all applicable state securities or "blue sky" laws. The Company has not violated the Securities Act or any applicable state securities or "blue sky" laws in connection with the issuance of any shares of capital stock or other securities at or prior to the Closing. The Company has not offered any of its capital stock, or any other securities, for sale to or solicited any offers to buy any of the foregoing from the Company, or otherwise approached or negotiated with any other person in respect thereof, in such a manner as to require registration under the Securities Act. None of the events described in Item 401(f) of Regulation S-K under the Securities Act has occurred during the last five years with respect to any director or officer of the Company.

2.17 Related Party Transactions. There are no obligations of the Company to officers, directors, stockholders, or employees of the Company other than (a) for payment of salary for services rendered, (b) reimbursement for reasonable expenses incurred on behalf of the Company and (c) 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). None of the officers, directors or, to the knowledge of the Company, Key Employees or stockholders of the Company or any members of their immediate families, is indebted to the Company or has any direct or indirect ownership interest in any firm or corporation with which the Company is affiliated or with which the Company has a business relationship, or any firm or corporation which competes with the Company, other than passive investments in publicly traded companies (representing less than 1% of such company) which may compete with the Company. No officer, director or stockholder, or any member of their immediate families, is, directly or indirectly, interested in any material contract with the Company (other than such contracts as relate to any such person's ownership of capital stock or other securities of the Company).

2.18 Disclosure. The Company has provided the Investors with all information requested by them in connection with their decision to purchase the Shares, including all information the Company believes is reasonably necessary to make such investment decision. Neither this Agreement, the exhibits hereto, the Transaction Documents nor any other document delivered by the Company to the Investors or their respective attorneys or agents in connection herewith or therewith or with the transactions contemplated hereby or thereby, contain any untrue statement of a material fact nor, omit to state a material fact necessary in order to make the statements contained herein or therein not misleading. To the Company's knowledge, there are no facts which (individually or in the aggregate) materially adversely affect the business, assets, liabilities, financial condition, prospects or operations of the Company that have not been set forth in the Agreement, the exhibits hereto, the Transaction Documents or in other documents delivered to the Investors or their respective attorneys or agents in connection herewith.

2.19 Taxes. The Company has filed all Tax Returns (as such terms are defined below) required by law to have been filed by it and has paid all Taxes required to be paid by it including, without limitation, any Tax levied upon any of its properties, assets, income or franchises. All Tax Returns filed by the Company were complete and correct in all material respects, and each

such Tax Return was timely filed. All amounts required to be collected or withheld by the Company have been collected or withheld and any such amounts that are required to be remitted to any taxing authority have been duly remitted. The Company has not been advised (a) that any of its returns, federal, state or other, have been or are being audited as of the date hereof, or (b) of any deficiency in assessment or proposed judgment to its federal, state or other taxes. The Company has no knowledge of any liability of any tax to be imposed upon its properties or assets as of the date of this Agreement that is not adequately provided for.

"**Taxes**," for purposes of this Agreement, means all taxes, charges, fees, levies or other assessments (whether federal, state, local or foreign), including without limitation income, gross receipts, excise, property, estate, sales, use, value added, transfer, license, payroll, franchise, ad valorem, withholding, Social Security and unemployment taxes, as well as any interest, penalties and other additions to such taxes, charges, fees, levies or other assessments.

"**Return**" shall mean any report, return, statement, estimate, declaration, notice, form or other information required to be supplied to a taxing authority in connection with Taxes.

2.20 Environmental Protection. The Company at all times has been operated and is in compliance in all material respects with all applicable federal, state, local, and foreign laws, rules, regulations, codes, ordinances, orders, decrees, directives and judgments relating to Environmental Matters, including all limitations, restrictions, conditions, standards, prohibitions, requirements, obligations, schedules and timetables contained in all applicable Environmental Laws. The Company has obtained, and is in compliance in all material respects with, all permits, licenses, authorizations, registrations and other governmental consents required by applicable Environmental Laws ("**Environmental Permits**"), including without limitation those regulating emissions, discharges, or releases of Hazardous Substances, or the use, storage, treatment, transportation, release, emission and disposal of raw materials, byproducts, wastes and other substances used or produced by or otherwise relating to its business.

For the purposes of this Section 2.20, the following terms shall have the meanings indicated:

"**Environmental Laws**" means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. §§ 9601, *et seq.*; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001, *et seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901, *et seq.*; the Toxic Substances Control Act, 15 U. S.C. §§ 2601, *et seq.*; the Federal Insecticide, Fungicide, and Rodenticide Act, 7 U.S.C. §§ 136, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.*; the Clean Water Act (Federal Water Pollution Control Act), 33 U.S.C. §§ 1251 *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 300f, *et seq.*; the Occupational Safety and Health Act, 29 U.S.C. §§ 641, *et seq.*; the Hazardous Materials Transportation Act, 49 U.S.C. §§ 1801, *et seq.*; as any of the above statutes have been amended from time to time, all rules and regulations promulgated pursuant to any of the above statutes, and any other foreign, federal, state or local law, statute, ordinance, rule or regulation governing Environmental Matters, as the same have been amended from time to time, including any common law cause of action providing any right of remedy relating to Environmental Matters, all indemnity agreements and other contractual obligations (including leases, asset purchase and merger agreements) relating to environmental matters, and all applicable judicial and administrative decisions, orders, and decrees relating to Environmental Matters.

"**Environmental Matter**" means any matter arising out of, relating to, or resulting from pollution, contamination, protection of the environment, human health or safety, health or safety of employees, sanitation, and any matters relating to emissions, discharges, disseminations, releases or threatened releases, of Hazardous Substances into the air (indoor and outdoor), surface water, groundwater, soil, land surface or subsurface, buildings, facilities, real or personal property or fixtures or otherwise arising out of, relating to, or resulting from the manufacture, processing, distribution, use, treatment, storage, disposal, transport, handling, release or threatened release of Hazardous Substances.

"**Hazardous Substance**" means any substance or material meeting any one or more of the following criteria: (i) it is or contains a substance designated as a hazardous waste, hazardous substance, hazardous material, pollutant, contaminant, toxic substance or any other substance regulated under any Environmental Law; (ii) its presence at some quantity requires investigation, notification or remediation under any Environmental Law; or (iii) it contains, without limiting the foregoing, asbestos, polychlorinated biphenyls, petroleum hydrocarbons, petroleum derived substances or waste, crude oil or any fraction thereof, nuclear fuel, natural gas or synthetic gas.

2.21 Consents. No permit, authorization, consent or approval ("**Consent**") of or by, or any notification of or filing with, any person (governmental or private) is required in connection with the execution, delivery and performance by the Company of this Agreement or the Transaction Documents or any documentation relating hereto or thereto, the consummation by the Company of the transactions contemplated hereby or thereby, or the issuance, sale or delivery of the Shares or the Conversion Shares under this Agreement except for filings pursuant to Regulation D of the Securities Act, and applicable state securities laws, which have been made or will be made in a timely manner.

2.22 Insurance. The assets of the Company that are of insurable character are covered by insurance with reputable insurers against risks of liability, casualty and fire and other losses and liabilities customarily obtained to cover comparable businesses and assets in amounts, scope and coverage that are consistent with prudent industry practice.

2.23 Brokers. Neither the Company, any of its subsidiaries, nor any of its officers, directors, employees or stockholders has employed any broker, agent, investment banker or finder in connection with the transactions contemplated by this Agreement nor is any person or firm advising the Company entitled to any broker's or finder's fee or any other commission directly or indirectly in connection with the transactions contemplated herein. The Company is not a party to any contract that grants rights to any third party with respect to the performance of investment banking services for it, including without limitation with respect to its sale or a public offering, including an initial public offering, of its securities.

2.24 Property; Absence of Liens. The Company owns no real property. The Company has leasehold title to the premises leased pursuant to the lease agreements set forth in Section 2.24 of the Schedule of Exceptions (the "**Leased Real Property**"), and owns its personal property and other assets free and clear of all imperfections of title created by the Company and all encumbrances created by the Company, except for (i) those consisting of zoning or planning restrictions, easements, permits and other restrictions or limitations on the use of such property or irregularities in title thereto which, individually and in the aggregate, do not materially impair the use of such property, (ii) warehousemen's, mechanics', carriers', landlords', repairmen's or other similar encumbrances arising in the ordinary course of business and securing obligations not yet due and payable, and (iii) other encumbrances that arise in the ordinary course of business and that individually and in the aggregate do not materially impair its use of such

property or assets. To the knowledge of the Company, there are no intended public improvements that will result in any charge being levied against, or in the creation of any encumbrances upon, the Leased Real Property or any portion thereof. To the knowledge of the Company, there are no options, rights of first refusal, rights of first offer or other similar rights with respect to the Leased Real Property or other assets.

2.25 Compliance with Other Instruments. The Company is not in violation or default of any term of its charter documents, each as amended, or of any provision of any mortgage, indenture, contract, agreement, instrument or contract to which it is party or by which it is bound or of any judgment, decree, order or writ. The Company has avoided every condition, and has not performed any act, the occurrence of which would result in the Company's loss of any right granted under any license, distribution agreement or other agreement required to be disclosed on the Schedule of Exceptions.

2.26 Obligations of Management. Each officer and Key Employee of the Company is currently devoting substantially all of his or her business time to the conduct of the business of the Company. The Company is not aware that any officer or Key Employee of the Company is planning to work less than full time at the Company in the future. No officer or Key Employee is currently working or, to the Company's knowledge, plans to work for a competitive enterprise, whether or not such officer or Key Employee is or will be compensated by such enterprise.

2.27 Registration Rights and Voting Rights. Except as required pursuant to the Restated Investor Rights Agreement, the Company is presently not under any obligation, and has not granted any rights, to register (as defined in Section 1.1 of the Restated Investor Rights Agreement) any of the Company's presently outstanding securities or any of its securities that may hereafter be issued. To the Company's knowledge, except as contemplated in the Restated Voting Agreement, no stockholder of the Company has entered into any agreement with respect to the voting of equity securities of the Company.

2.28 Real Property Holding Corporation. The Company is not a real property holding corporation within the meaning of Code Section 897(c)(2) and any regulations promulgated thereunder.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES OF THE INVESTORS

Each Investor, severally and not jointly, represents and warrants to the Company as to itself only, as follows (provided that such representations and warranties do not lessen or obviate the representations and warranties of the Company set forth in Article II of this Agreement):

3.1 Investment Representations. Such Investor is acquiring the Shares for its own account, for investment and not with a view to the distribution thereof within the meaning of the Securities Act. Such Investor understands that (i) the Shares have not been, and that the Conversion Shares will not be, registered under the Securities Act or any state securities laws, by reason of their issuance by the Company in a transaction exempt from the registration requirements thereof and (ii) the Shares and the Conversion Shares may not be sold unless such disposition is registered under the Securities Act and applicable state securities laws or is exempt from registration thereunder. Such Investor further understands that the exemption from

registration afforded by Rule 144 (the provisions of which are known to such Investor) promulgated under the Securities Act depends on the satisfaction of various conditions, and that, if applicable, Rule 144 may afford the basis for sales only in limited amounts. Such Investor is an "accredited investor" (as defined in Rule 501(a) under the Securities Act). Such Investor has been provided the opportunity at reasonable times prior to the date hereof to discuss the Company with directors, officers and management of the Company and to review the Company's operations. Such Investor has also had the opportunity to ask questions and receive answers regarding the terms and conditions of the offering of the Shares.

3.2 Corporate Matters. Each of this Agreement and the Transaction Documents to which such Investor is a party (together, the "**Investment Documents**") has been duly authorized by all necessary corporate action on the part of such Investor. Each of the Investment Documents constitutes a valid and binding agreement of such Investor enforceable against such Investor in accordance with its terms except to the extent that enforceability may be limited by bankruptcy, insolvency or other similar laws affecting creditors' rights generally and as enforceability may be limited by general principles of equity. Such Investor has all corporate power and authority to enter into and perform the Investment Documents.

3.3 Brokers. Such Investor has not employed any broker, agent, investment banker or finder in connection with the transactions contemplated by this Agreement nor is any person or firm advising such Investor entitled to any broker's or finder's fee or any other commission directly or indirectly in connection with the transactions contemplated herein.

ARTICLE IV.
CONDITIONS TO THE INVESTORS' OBLIGATIONS AT A CLOSING

The obligations of the Investors under this Agreement are subject to the satisfaction (or waiver by an Investor with respect to itself only) on or before the Closing of each of the following conditions:

4.1 Representations and Warranties True. The representations and warranties of the Company contained in Article II shall be true on and as of the Closing with the same force and effect as if they had been made at the time of the Closing.

4.2 Performance. The Company shall have performed and complied with all other conditions, covenants and agreements contained in this Agreement required to be performed or complied with by it on or before such Closing.

4.3 Qualifications. All authorizations, approvals or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the lawful issuance and sale of the Shares pursuant to this Agreement and completion of the transactions contemplated by this Agreement and the Transaction Documents (including any filing required to comply with the Hart Scott Rodino Antitrust Improvements Act of 1976, and except for such as may be properly obtained subsequent to the Closing), shall have been duly obtained by the Company and shall be effective on and as of such Closing.

4.4 Reservation of Shares and Conversion Shares. The Shares and the Conversion Shares issuable upon conversion of the Shares shall have been duly authorized and reserved for issuance.

4.5 Restated Charter. Prior to the Closing, the Company shall have duly adopted, executed and filed with the Secretary of State of Delaware the Restated Charter, and it shall be in full force and effect and not further amended or modified as of the Closing.

4.6 Bylaw Amendments. Prior to the Closing, the board of directors and stockholders of the Company shall have approved the Bylaw Amendments, and such Bylaw Amendments shall be in full force and effect and not further amended or modified as of the Closing.

4.7 Key Man Insurance. The Company shall have obtained with financially sound and reputable insurers, life insurance in the amount of Three Million Dollars ($3,000,000) on the life of Yves Ribeill, commencing not later than the date of the Closing. Such policy or policies shall be owned by the Company and all benefits thereunder shall be payable to the Company.

4.8 Preemptive Rights. The Company shall have fully satisfied (including with respect to rights of timely notification) or obtained enforceable waivers in respect of any preemptive or similar rights directly or indirectly affecting any of its securities.

4.9 Proceedings and Documents. All corporate and other proceedings in connection with the transactions contemplated hereby and all documents and instruments incident to such transactions shall be in form and substance reasonably satisfactory to the Investors and their respective counsel and the Investors shall have received all such counterpart originals or certified or other copies of such documents as they may reasonably request. Such documents may include good standing certificates.

4.10 Corporate Documents. The Company shall have delivered to the Investors and their respective counsel, copies of all corporate documents of the Company as the Investors shall reasonably request.

4.11 Actions to Occur at the Closing. At or before the Closing, the actions required by Section 1.3 shall have taken place, and the Transaction Documents shall all have been executed and delivered by the parties thereto.

4.12 Compliance Certificate. The Company shall have delivered to the Investors a certificate, dated as of the date of the Closing, signed by its President, certifying that the conditions specified in Sections 4.1 through 4.8 have been fulfilled.

ARTICLE V.
CONDITIONS TO THE COMPANY'S OBLIGATIONS AT A CLOSING

The obligations of the Company under this Agreement are subject to the satisfaction (or waiver in writing by the Company) on or before the Closing of each of the following conditions:

5.1 Representations and Warranties True. The representations and warranties contained in Article III by the Investors shall be true on and as of the Closing with the same force and effect as if they had been made at the time of the Closing.

5.2 Performance. The Investors shall have performed and complied with all other conditions, covenants and agreements contained in this Agreement required to be performed or complied with by them on or before such Closing.

5.3 Actions to Occur at a Closing. At or before the Closing, the actions required by Section 1.3(a) and (c) shall have taken place, and the Transaction Documents shall all have been executed and delivered by the parties thereto.

ARTICLE VI.
COVENANTS

6.1 Indemnification. The Company agrees to indemnify Merial and its officers, directors, employees, agents, partners and affiliates (collectively, the "**Indemnified Parties**") for, and hold each Indemnified Party harmless from and against: (i) any and all damages, losses, claims and other liabilities of any and every kind, including, without limitation, judgments and costs of settlement, and (ii) any and all out-of-pocket costs and expenses of any and every kind, including, without limitation, reasonable fees and disbursements of counsel for such Indemnified Parties (all of which expenses periodically shall be reimbursed as incurred), in each case, arising out of or suffered or incurred in connection with any of the following: (a) any misrepresentation or any breach of any warranty made by the Company herein or in any of the other Transaction Documents, (b) any breach or non-fulfillment of any covenant or agreement made by the Company herein or in any of the other Transaction Documents or (c) any investigative, administrative or judicial proceeding or claim brought or threatened by a third party, relating to or arising out of the matters described in clauses (a) and (b).

6.2 Rights of First Negotiation.

(a) *Upon Change of Control.*

(i) In the event that the Company's Board of Directors approves a Change of Control which will result in the surviving entity or Change of Control party having an internal Insecticide research and development program developing and/or marketing products for AH Use other than for Merial, the Company shall so notify Merial in writing (the "**Change of Control Notice**"). Merial shall have 14 days from receipt of the Change of Control Notice to inform the Company in writing that it wishes to enter into good faith negotiations with the Company to acquire the Company's Animal Health Business (the "**Request for Negotiation Notice**"). For a 30 day period commencing on the date that Merial delivers to the Company its Request for Negotiation Notice (the "**Pre-Valuation Period**"), Merial and the Company shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(ii) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Pre-Valuation Period, but Merial is still interested in pursuing the acquisition of the Company's Animal Health Business, no later than the 3rd day following the end of the Pre-Valuation Period Merial shall so notify the Company in writing that it wishes to continue negotiations (the "**Continued Negotiation Notice**"). Within 10 days after delivery of

the Continued Negotiation Notice, Merial and the Company shall use reasonable efforts to jointly identify an investment bank (who shall be independent and not having performed any investment banking or related services for either party in the previous two years) (the "**Investment Bank**") for purposes of performing a valuation of the Company's Animal Health Business. The fees and expenses of the Investment Bank shall be borne equally by the Company and Merial.

(iii) The Investment Bank shall deliver its valuation (the "**Valuation**") of the Company's Animal Health Business to the Company and Merial within a 30 day period commencing with its identification and engagement by Merial and the Company (the "**Valuation Period**"). For a 30 day period commencing on the delivery by the Investment Bank of the Valuation (the "**Intermediate Negotiation Period**"), the Company and Merial shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(iv) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Intermediate Negotiation Period, and thereafter the Company wishes to divest the Company's Animal Health Business to a third party (the "**Third Party Divestment**"), the Company will not be entitled to consummate any Third Party Divestment unless the purchase price is equal to or greater than the Valuation. Within 3 days after execution of a term sheet (or definitive agreement, whichever shall first occur) with a third party with respect to a Third Party Divestment, the Company shall deliver a copy of such term sheet (or definitive agreement, as applicable) (the "**Third Party Divestment Notice**") to an independent party appointed by Merial at its sole expense (e.g. a lawyer, investment banker or accountant reasonably acceptable to the Company) (the "**Independent Verifier**") who shall check compliance of the Third Party Divestment to this Section 6.2(a)(iv) and report only its conclusion to Merial regarding such compliance (without disclosing to Merial the terms and conditions of the Third Party Divestment) within 14 days of its receipt (the "**Verification Period**"). The Independent Verifier shall be bound by appropriate confidentiality obligations. The Independent Verifier's assessment shall be binding on Merial and the Company. If the Independent Verifier concludes that the consideration to be paid in the Third Party Divestment is equal to or greater than the Valuation, Merial shall have no further rights with respect to the Third Party Divestment; *provided, however*, that if the consideration reflected in the Third Party Divestment Notice is reduced at any time from and after the date of delivery of the Third Party Divestment Notice to the Independent Verifier (as a result of subsequent negotiation of the Company and such third party or otherwise), the Company shall be required to deliver notice of such fact to Merial (and the new terms of the Third Party Divestment to the Independent Verifier) which shall recommence Merial's right to audit and exercise the Matching Rights as set forth herein.

(v) If the Independent Verifier's assessment indicates that the Third Party Divestment is for a consideration that is less than the Valuation, the Independent Verifier shall be permitted to deliver a copy of the Third Party Divestment Notice to Merial together with its assessment and such transaction shall not be consummated unless and until Merial shall have been given the first right to purchase the Company's Animal Health Business for the consideration represented by the Third Party Divestment Notice exercisable at any time within 21 days after delivery of the Third Party Divestment Notice (the "**Matching Rights Period**") by

delivery of a notice by Merial (the "**Matching Rights Notice**") that it is willing to purchase the Company's Animal Health Business on the same terms and conditions set forth in the Third Party Divestment Notice. The Matching Rights Notice shall be accompanied by a Binding Term Sheet executed by Merial reflecting the same terms and conditions set forth in the original Third Party Divestment Notice; *provided, however,* that to the extent the Third Party Divestment Notice contemplates payment of non-cash consideration, Merial reserves the right to substitute an equivalent cash consideration therefor. If Merial fails to deliver its Matching Rights Notice within the Matching Rights Period, the Company shall be permitted to consummate the Third Party Divestment pursuant to the terms set forth in its Third Party Divestment Notice.

(vi) If Merial (i) does not deliver a Request for Negotiation Notice or (ii) does not deliver a Continued Negotiation Notice, all within the time periods prescribed above, Merial shall have no further rights pursuant to this Section 6.2(a), except that the terms of Section 6.2(v) above (Third Party Divestment) shall apply in the event that Merial decides not to pursue acquisition of the Company's Animal Health Business following the notification of the Valuation.

(vii) In the event that the Company and Merial enter into a mutually acceptable Binding Term Sheet under any of the provisions set forth in this Section 6.2(a), they shall use good faith efforts to execute a definitive purchase agreement as promptly as possible thereafter but in any event shall consummate the acquisition of the Company's Animal Health Business no later than 6 months from the date of closing of the Change of Control transaction.

(b) *Upon Sale of Entire Service Business to Competitor of Merial*.

(i) In the event that the Company wishes to divest its entire service business to a party having an internal Insecticide research and development program developing and/or marketing products for AH Use other than for Merial, the Company shall so notify Merial in writing (the "**Sale of Service Business Notice**"). Merial shall have 14 days from receipt of the Sale of Service Business Notice to deliver a Request for Negotiation Notice (as defined above) with respect to that portion of the Company's service business comprising the Company's Animal Health Business. During the Pre-Valuation Period (as defined above) which shall commence on the date that Merial delivers to the Company its Request for Negotiation Notice, Merial and the Company shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(ii) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Pre-Valuation Period, but Merial is still interested in pursuing the acquisition of the Company's Animal Health Business, no later than the 3rd day following the end of the Pre-Valuation Period Merial shall deliver a Continued Negotiation Notice (as defined above) with respect thereto. Within 10 days after delivery of the Continued Negotiation Notice, Merial and the Company shall use reasonable efforts to jointly identify the Investment Bank (as defined above) for purposes of performing a valuation of the Company's Animal Health Business. The fees and expenses of the Investment Bank shall be borne equally by the Company and Merial.

(iii) The Investment Bank shall deliver its Valuation (as defined above) of the Company's Animal Health Business to the Company and Merial within the Valuation Period (as defined above) which shall commence with its identification and engagement by Merial and the Company. During the Intermediate Negotiation Period (as defined above) which shall commence on the delivery by the Investment Bank of the Valuation, the Company and Merial shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(iv) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Intermediate Negotiation Period, and thereafter the Company wishes to consummate a Third Party Divestment (as defined above), the Company will not be entitled to consummate any Third Party Divestment unless the purchase price is equal to or greater than the Valuation. Within 3 days after execution of a term sheet (or definitive agreement, whichever shall first occur) with a third party with respect to a Third Party Divestment, the Company shall deliver a Third Party Divestment Notice (as defined above) to an Independent Verifier (as defined above) who shall check compliance of the Third Party Divestment to this Section 6.2(b)(iv) and report only its conclusion to Merial regarding such compliance (without disclosing to Merial the terms and conditions of the Third Party Divestment) within the Verification Period (as defined above) commencing upon its receipt. The Independent Verifier shall be bound by appropriate confidentiality obligations. The Independent Verifier's assessment shall be binding on Merial and the Company. If the Independent Verifier concludes that the consideration to be paid in the Third Party Divestment is equal to or greater than the Valuation, Merial shall have no further rights with respect to the Third Party Divestment; *provided, however,* that if the consideration reflected in the Third Party Divestment Notice is reduced at any time from and after the date of delivery of the Third Party Divestment Notice to the Independent Verifier (as a result of subsequent negotiation of the Company and such third party or otherwise), the Company shall be required to deliver notice of such fact to Merial (and the new terms of the Third Party Divestment to the Independent Verifier) which shall recommence Merial's right to audit and exercise the Matching Rights as set forth herein.

(v) If the Independent Verifier's assessment indicates that the Third Party Divestment is for a consideration that is less than the Valuation, the Independent Verifier shall be permitted to deliver a copy of the Third Party Divestment Notice to Merial together with its assessment and such transaction shall not be consummated unless and until Merial shall have been given the first right to purchase the Company's Animal Health Business for the consideration represented by the Third Party Divestment Notice exercisable at any time within the Matching Rights Period (as defined above) commencing upon delivery of the Third Party Divestment Notice by delivery of a Matching Rights Notice (as defined above) that it is willing to purchase the Company's Animal Health Business on the same terms and conditions set forth in the Third Party Divestment Notice. The Matching Rights Notice shall be accompanied by a Binding Term Sheet executed by Merial reflecting the same terms and conditions set forth in the original Third Party Divestment Notice; *provided, however,* that to the extent the Third Party Divestment Notice contemplates payment of non-cash consideration, Merial reserves the right to substitute an equivalent cash consideration therefor. If Merial fails to deliver its Matching Rights Notice within the Matching Rights Period, the Company shall be permitted to consummate the Third Party Divestment pursuant to the terms set forth in its Third Party Divestment Notice.

(vi) In the event that the Company and Merial enter into a mutually acceptable Binding Term Sheet under any of the provisions set forth in this Section 6.2(b), they shall use good faith efforts to execute a definitive purchase agreement as promptly as possible thereafter but in any event shall consummate the acquisition of the Company's Animal Health Business no later than 6 months from the date of the Company's initial notification of its desire to divest its entire service business.

(vii) If Merial (i) does not deliver a Request for Negotiation Notice or (ii) does not deliver a Continued Negotiation Notice, all within the time period prescribed above, Merial shall have no further rights pursuant to this Section 6.2(b), except that the terms of Section 6.2(b)(iv) (Third Party Divestment) shall apply in the event that Merial decides not to pursue acquisition of the Company's Animal Health Business following the notification of the Valuation.

(c) *Upon Sale of Animal Health Business as an Independent Business*.

(i) In the event that the Company wishes to divest the Company's Animal Health Business as an independent business, the Company shall so notify Merial in writing (the "**Sale of AHB Notice**"). Merial shall have 14 days from receipt of the Sale of AHB Notice to deliver a Request for Negotiation Notice (as defined above) with respect to the Company's Animal Health Business. During the Pre-Valuation Period (as defined above) which shall commence on the date that Merial delivers to the Company its Request for Negotiation Notice, Merial and the Company shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(ii) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Pre-Valuation Period, but Merial is still interested in pursuing the acquisition of the Company's Animal Health Business, no later than the 3rd day following the end of the Pre-Valuation Period Merial shall deliver a Continued Negotiation Notice (as defined above) with respect thereto. Within 10 days after delivery of the Continued Negotiation Notice, Merial and the Company shall use reasonable efforts to jointly identify the Investment Bank (as defined above) for purposes of performing a valuation of the Company's Animal Health Business. The fees and expenses of the Investment Bank shall be borne equally by the Company and Merial.

(iii) The Investment Bank shall deliver its Valuation (as defined above) of the Company's Animal Health Business to the Company and Merial within the Valuation Period (as defined above) which shall commence with its identification and engagement by Merial and the Company. During the Intermediate Negotiation Period (as defined above) which shall commence on the delivery by the Investment Bank of the Valuation, the Company and Merial shall negotiate in good faith in order to enter into a mutually acceptable Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial.

(iv) If, despite their reasonable efforts, Merial and the Company are unable to enter into a Binding Term Sheet for the acquisition of the Company's Animal Health Business by Merial during the Intermediate Negotiation Period, and thereafter the Company wishes to consummate a Third Party Divestment (as defined above), the Company will not be entitled to consummate any Third Party Divestment unless the purchase price is equal to or greater than the Valuation. Within 3 days after execution of a term sheet (or definitive agreement, whichever shall first occur) with a third party with respect to a Third Party Divestment, the Company shall deliver a Third Party Divestment Notice (as defined above) to an Independent Verifier (as defined above) who shall check compliance of the Third Party Divestment to this Section 6.2(c)(iv) and report only its conclusion to Merial regarding such compliance (without disclosing to Merial the terms and conditions of the Third Party Divestment) within the Verification Period (as defined above) commencing upon its receipt. The Independent Verifier shall be bound by appropriate confidentiality obligations. The Independent Verifier's assessment shall be binding on Merial and the Company. If the Independent Verifier concludes that the consideration to be paid in the Third Party Divestment is equal to or greater than the Valuation, Merial shall have no further rights with respect to the Third Party Divestment; *provided, however*, that if the consideration reflected in the Third Party Divestment Notice is reduced at any time from and after the date of delivery of the Third Party Divestment Notice to the Independent Verifier (as a result of subsequent negotiation of the Company and such third party or otherwise), the Company shall be required to deliver notice of such fact to Merial (and the new terms of the Third Party Divestment to the Independent Verifier) which shall recommence Merial's right to audit and exercise the Matching Rights as set forth herein.

(v) If the Independent Verifier's assessment indicates that the Third Party Divestment is for a consideration that is less than the Valuation, the Independent Verifier shall be permitted to deliver a copy of the Third Party Divestment Notice to Merial together with its assessment and such transaction shall not be consummated unless and until Merial shall have been given the first right to purchase the Company's Animal Health Business for the consideration represented by the Third Party Divestment Notice exercisable at any time within the Matching Rights Period (as defined above) commencing upon delivery of the Third Party Divestment Notice by delivery of a Matching Rights Notice (as defined above) that it is willing to purchase the Company's Animal Health Business on the same terms and conditions set forth in the Third Party Divestment Notice. The Matching Rights Notice shall be accompanied by a Binding Term Sheet executed by Merial reflecting the same terms and conditions set forth in the original Third Party Divestment Notice; *provided, however*, that to the extent the Third Party Divestment Notice contemplates payment of non-cash consideration, Merial reserves the right to substitute an equivalent cash consideration therefor. If Merial fails to deliver its Matching Rights Notice within the Matching Rights Period, the Company shall be permitted to consummate the Third Party Divestment pursuant to the terms set forth in its Third Party Divestment Notice.

(vi) In the event that the Company and Merial enter into a mutually acceptable Binding Term Sheet under any of the provisions set forth in this Section 6.2(c), they shall use good faith efforts to execute a definitive purchase agreement as promptly as possible thereafter but in any event shall consummate the acquisition of the Company's Animal Health Business no later than 6 months from the date of the Company's initial notification of its desire to divest the Company's Animal Health Business as an independent business.

(vii) If Merial (i) does not deliver a Request for Negotiation Notice or (ii) does not deliver a Continued Negotiation Notice, all within the time period prescribed above, Merial shall have no further rights pursuant to this Section 6.2(c), except that the terms of Section 6.2(c)(iv) (Third Party Divestment) shall apply in the event that Merial decides not to pursue acquisition of the Company's Animal Health Business following the notification of the Valuation.

(d) As used in this Section 6.2, the following terms shall have the meanings set forth below:

"Binding Term Sheet" shall include provisions that, among other things, condition Merial's and the Company's obligation to close the acquisition upon the following:

- receipt of any governmental approvals and third parties (including Bayer CropScience AG) from whom consent is required;
- no material adverse change in the Company's Animal Health Business;
- execution of mutually agreeable definitive documents (which shall contain, among others, customary reps and warranties for transactions of this nature, indemnification for breaches of representations and warranties, customary covenants including noncompetition and nonsolicitation);
- Merial's completion and satisfaction with its due diligence investigation;
- no litigation being filed that challenges the transaction or, if determined adversely to the Company, would constitute a material adverse change with respect to the Company's Animal Health Business;
- receipt of necessary stockholder approval; and
- receipt of opinion of the Company's counsel (with respect to, among other things, valid existence, authority and enforceability).

"Change of Control," "*Insecticide,"* and *"AH Use"* shall have the meanings set forth in that certain Collaboration Agreement by and among Bayer CropScience AG, Merial Limited, and SCYNEXIS, Inc., dated June 30, 2004 ("**Collaboration Agreement**"); *provided, however*, Merial and the Company agree that any definitions adopted herein from the Collaboration Agreement shall survive any termination or expiration of the Collaboration Agreement and nothing contained in this Agreement, the other Transaction Documents or in any document executed at the Closing in connection hereof and thereof is intended to, or does in fact, alter any right that Merial has or may have under the Collaboration Agreement.

"the Company's Animal Health Business" shall consist of the following: (i) any person who in the prior 12 month period dedicated two-thirds or more of their time to performing services for Merial pursuant to the animal health agreements then in force between Merial and the Company (the "**Personnel**"); (ii) all dedicated biology/screening equipment used by the Personnel; (iii) all dedicated chemistry equipment used by the Personnel to perform library synthesis (but not purification or characterization of compounds); (iv) all data, reports, documentation, lab notebooks, or other records generated under any animal health agreements between Merial and the Company; (v) non-exclusive licenses to the Company's HEOS® software and MEDCHEM FACTORY® technology; (vi) all know-how, including SOPs for performing assays, screens, and other operations specific to the animal health agreements then in force between Merial and the Company; (vii) physical quantities of any chemical compounds owned by Merial pursuant to the animal health agreements then in force between Merial and the Company; and (viii) use of the laboratories previously used by the Personnel for a period of no more than 6 months, to the extent allowed under the Collaboration Agreement.

6.3 Bayer Consent Rights. The Company and Merial acknowledge that pursuant to Articles 11.7 and/or 11.14 of the Collaboration Agreement, Bayer CropScience AG has a consent right concerning any divestment of the animal health program described in the Collaboration Agreement while the Collaboration Agreement is in effect.

6.4 Exclusivity. The Company and Merial intend that the negotiations between the Company and Merial pursuant to Section 6.2(a), (b) and (c) above shall be on an exclusive basis until the end of the Intermediate Negotiation Period applicable to such negotiations.

6.5 Animal Health Performance. In the event that the Company proposes to or attempts to materially alter or reduce the number, amount or quality of biologists, chemists or equipment or other resources used to perform services for Merial, the Company shall notify Merial in writing and shall not implement any such changes without Merial's prior written consent (which may not be unreasonably withheld). Merial and the Company agree that a material alteration or reduction can occur through a series of non-material events occurring over a period of time, as well as action(s) to be taken at one point in time.

6.6 Termination of BCS Pursuant to Article 9.2 of the Collaboration Agreement. In the event that the Collaboration Agreement is terminated pursuant to Article 9.2 thereof, the Company and Merial will enter into exclusive good faith negotiations for a period of 180 days to find mutually acceptable terms for the synthesis and screening of compounds for potential AH Uses, similar to the program described in the Collaboration Agreement. It is understood by the Company and Merial that the terms of any such continuation would require the Company to work exclusively for the benefit of Merial in the field of AH. As used above, the terms AH and AH Use shall have the meanings set forth in the Collaboration Agreement.

ARTICLE VII.
MISCELLANEOUS

7.1 Expenses; Legal Representation. The Company and the Investors shall bear their respective expenses and legal fees incurred with respect to this Agreement. SR One acknowledges that it has had an opportunity to consult its own legal counsel and that Paul, Hastings, Janofsky & Walker, LLP has represented only Merial in connection with the transactions contemplated hereby.

7.2 Survival; Remedies. All representations and warranties in this Agreement shall survive the Closing until the expiration of the applicable statute of limitations and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Investors. All statements contained in any certificate or other instrument delivered by the Company pursuant to this Agreement shall constitute representations and warranties by the Company under this Agreement. All agreements and covenants contained herein shall survive until, by their respective terms, they are no longer operative. In case any one or more of the covenants and/or agreements set forth in this Agreement shall have been breached by any party hereto, the Investors (and, with respect to the covenants set forth in Article VI, Merial), with respect to a breach by the Company, and the Company, with respect to a breach by the Investors, may proceed to protect and enforce its rights either by suit in equity and/or by action at law, including but not limited to an action for damages as a result of any such breach and/or an action for specific performance of any such covenant or agreement contained in this Agreement.

7.3 Further Assurances. At any time or from time to time after the Closing, the Company, on the one hand, and the Investors, on the other hand, agree to cooperate with each other, and at the request of the other party, to execute and deliver any further instruments or documents and to take all such further action as the other party may reasonably request in order to evidence or effectuate the consummation of the transactions contemplated hereby and to otherwise carry out the intent of the parties hereunder.

7.4 Successors and Assigns. This Agreement shall bind and inure to the benefit of the Company and the Investors and their respective successors, permitted assigns, heirs and personal representatives. Any Investor may assign its rights and obligations hereunder to an entity under common control with such Investor.

7.5 Entire Agreement. This Agreement, the exhibits and schedules hereto, the Transaction Documents and the other writings referred to herein or delivered pursuant hereto contain the entire agreement among the parties with respect to the subject matter hereof and supersede all prior and contemporaneous arrangements or understandings with respect thereto.

7.6 Notices. 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 facsimile if sent during normal business hours of the recipient, if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent as follows;

If to the Company:	Scynexis, Inc. 3501C Tricenter Boulevard Durham, NC 27713 Attn: General Counsel Telephone: 919-544-8600 Facsimile: 919-544-8697
If to Merial:	Merial Limited 3239 Satellite Blvd. Duluth, GA 30096 Attn: General Counsel Telephone: 678-638-3903 Facsimile: 678-638-3886
with a copy to:	Paul, Hastings, Janofsky & Walker LLP 600 Peachtree Street, N.E. Suite 2400 Atlanta, GA 30308 Attn: Karen K. Leach Telephone: 404-815-2528 Facsimile: 404-685-5028
If to SR One:	S.R. One, Limited 161 Washington Street, Suite 500 Conshohocken, PA 19428-2077 Telephone: 610-567-1000 Facsimile: 610-567-1039

or at such other address as the Company or the Investors may designate by ten (10) days advance written notice to the other parties hereto.

7.7 Amendments; Approval; Waivers and Acceptance. From and after the Closing, the terms and provisions of this Agreement may be modified or amended, or any of the provisions hereof waived, temporarily or permanently, pursuant to the written consent of the Company and Merial.

7.8 Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be an original, but all such counterparts together shall constitute but one agreement. A signature delivered by facsimile shall constitute an original; *provided, however*, that upon the request of any other party, the party delivering a signature by facsimile shall promptly deliver to the other party its original.

7.9 Headings. The headings of the sections of this Agreement have been inserted for convenience of reference only and shall not be deemed to be a part of this Agreement.

7.10 Nouns and Pronouns. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice versa.

7.11 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to the principles of conflicts of law.

7.12 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid, but if any provision of this Agreement is held to be invalid or unenforceable in any respect, such invalidity or unenforceability shall not render invalid or unenforceable any other provision of this Agreement, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

7.13 Interpretation. For purposes of this Agreement, (i) except as otherwise expressly provided herein, or unless the context otherwise requires, references to "Sections" or "Schedules" without reference to a document are to the designated Sections of or Schedules to this Agreement, and (ii) the words "herein," "hereof," "herewith," "hereunder," and other words of similar import refer to this Agreement as a whole and not to any particular provision.

7.14 Delays or Omissions. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement, the Transaction Documents or the Restated Charter, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character on any party's part of any breach, default or noncompliance under this Agreement, the Transaction Documents or under the Restated Charter or any waiver on such party's part of any provisions or conditions of the Agreement, the Transaction Documents, or the Restated Charter must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement, the Transaction Documents, the Restated Charter, by law, or otherwise afforded to any party, shall be cumulative and not alternative.

7.15 Attorneys' Fees. In the event that any suit or action is instituted under or in relation to this Agreement, including without limitation to enforce any provision in this Agreement, the prevailing party in such dispute shall be entitled to recover from the losing party all fees, costs and expenses of enforcing any right of such prevailing party under or with respect to this Agreement, including without limitation, such reasonable fees and expenses of attorneys and accountants, which shall include, without limitation, all fees, costs and expenses of appeals.

7.16 Public Disclosure. Unless otherwise permitted by this Agreement, none of the parties may issue any press release or otherwise make any public statement or make any other public (or non-confidential) disclosure (whether or not in response to an inquiry) regarding the terms of this Agreement and the transactions contemplated hereby without the approval of the other parties. Notwithstanding the foregoing, however, the Company and Merial may issue a press release upon the execution of this Agreement that is mutually acceptable to the Company, on the one hand, and Merial and its shareholders, on the other hand.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Series C-2 Preferred Stock Purchase Agreement as of the date first above written.

THE COMPANY:

SCYNEXIS, INC.

By: /s/ Yves Ribeill
Name: Yves Ribeill
Title: CEO

THE INVESTORS:

MERIAL LIMITED

By: /s/ Jean Mauldin
Name: Jean Mauldin
Title: CFO

S.R. ONE, LIMITED

By: /s/ Philip L. Smith
Name: Philip L. Smith
Title: General Partner

Exhibits

Exhibit A	Third Amended and Restated Certificate of Incorporation
Exhibit B	Second Amended and Restated Investor Rights Agreement
Exhibit C	Amended and Restated Co-Sale Agreement
Exhibit D	Amended and Restated Voting Agreement
Exhibit E	Bylaw Amendments
Exhibit F	Form of Legal Opinion of Counsel to the Company
Exhibit G	Form of Confidentiality, Inventions and Non-Competition Agreement

Schedule I

[Allocation of Shares and Purchase Price]

The Shares to be purchased hereunder, and the Purchase Price to be paid, shall be allocated among the Investors as follows:

- Merial Limited - 1,739,130 shares for an aggregate purchase price of $9,999,997.50
- S.R. One, Limited - 608,696 shares for an aggregate purchase price of $3,500,002.00

Schedule II

[Executive Management Team]

Yves Ribeill - Chief Executive Officer
Brian Schwab - Chief Licensing Officer and General Counsel
Chuck Osborne - Chief Financial Officer
Sam Hopkins - Chief Scientific Officer
Jeff Clark - Executive Director, Business Development
Mike Garrett - Executive Director, Strategic Development and Intellectual Property
Scott Huber - Executive Director, Animal Health
Amanda Mancuso - Executive Director, Human Resources
Terry Marquardt - Executive Director, Market Development
Russ Outcalt - Executive Director, US Contract Operations

EXHIBIT A
THIRD AMENDED AND RESTATED CERTIFICATE OF INCORPORATION

EXHIBIT B
SECOND AMENDED AND RESTATED INVESTOR RIGHTS AGREEMENT

EXHIBIT C
AMENDED AND RESTATED CO-SALE AGREEMENT

EXHIBIT D
AMENDED AND RESTATED VOTING AGREEMENT

EXHIBIT E
BYLAW AMENDMENTS

EXHIBIT F
FORM OF LEGAL OPINION OF COUNSEL TO THE COMPANY

EXHIBIT G
FORM OF CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

Exhibit 10.31

SCYNEXIS, Inc.
3501-C TriCenter Blvd
Durham, NC 27713

April 9, 2010

sanofi-aventis
174, avenue de France
75013 – Paris, France
Attn: Mr. Jérôme Contamine

RE: Additional agreement ("**Addendum**") in connection with that certain Reimbursement Agreement; General Security Agreement of even date herewith (the "**Reimbursement Agreement**").

Gentlemen:

In order to further induce sanofi-aventis, a French Société Anonyme (the "**Secured Party**") to enter into the transactions contemplated by the Reimbursement Agreement with SCYNEXIS, Inc., a Delaware corporation (the "**Debtor**"), and in exchange for the premises, covenants and agreements set forth therein, all of which Debtor recognizes as adequate consideration, the Debtor hereby covenants and agrees that, if the Secured Party has not been released as Guarantor pursuant to, and as defined in, that certain Stand-Alone First Demand Guarantee of even date herewith between HSBC Bank USA, National Association ("**HSBC**") and the Secured Party (the "**Guarantee Agreement**"), prior to Debtor's receipt of proceeds from any of the following events:

1) Initial Public Offering: the closing of the Debtor's initial public offering of its equity interests to an effective registration statement under the Securities Act of 1933, as such Act may be amended from time to time (an "**IPO**"), resulting in at least $30,000,000 of proceeds net of the underwriting discounts and commissions;

2) Follow-on Offering: in the event where the IPO does not result in at least $30,000,000 of net proceeds, the closing of any subsequent public offering of Debtor's equity interests (each, a "**Follow-on Offering**") wherein the aggregate amount of the IPO and Follow-on Offering(s) results in at least $30,000,000 of proceeds, net of the underwriting discounts and commissions;

3) Private Placement: the closing of an investment, in one or a series of transactions, in the Debtor resulting in at least $30,000,000 of proceeds net of any placement discounts and commissions (a "**Private Placement**") (for purposes of clarification but not limitation, an issuance by Debtor of promissory notes that are convertible into equity shall qualify as an "investment" pursuant to the definition of "Private Placement");

4) Combination: Any combination of the foregoing resulting in aggregate in at least $30,000,000 of proceeds net of the underwriting discounts and commissions or the placement discounts and commissions, as applicable; or

5) License Agreement: Debtor's entry into a Transaction Agreement (as defined in the Right of First Negotiation Agreement by and between the Secured Party and Debtor) resulting in any amount of cash proceeds (the proceeds from each of events 1-5, the "**Net Proceeds**"),

then the Debtor will inform the Secured Party prior to the consummation of any of the events 1-5 contemplated herein and will either (i) subject to prior written request of the Secured Party, initially apply the Net Proceeds (before the application of such Net Proceeds to any other purpose) to repay all amounts then owing to HSBC that are required to fully release the Secured Party from its obligations pursuant to the Guarantee Agreement, or (ii) otherwise provide the Secured Party with a waiver from HSBC, in writing and in a form acceptable to the Secured Party, fully releasing the Secured Party as Guarantor pursuant to the Guarantee Agreement.

This Addendum shall be governed by the laws of the State of North Carolina in all respects, including matters of construction, validity and performance (without regard to its principles of conflicts of law). None of this Addendum's terms or provisions may be waived, altered, modified, limited or amended except by a written agreement expressly referring hereto and to which Secured Party consents in writing. No provision of this Addendum shall in any way inure to the benefit of any third person so as to constitute to any such person a third-party beneficiary of this Addendum or otherwise give rise to any cause of action in any person not a party hereto. This Agreement embodies the entire understanding between the Secured Party and the Debtor with respect to the subject matter herein, and supercedes any and all prior understandings and agreements, oral or written, relating to the subject matter. The rights granted to Secured Party herein shall be supplementary and in addition to those granted in any other agreements. This Agreement binds the Debtor, its successors and assigns, and inures to the benefit of the Secured Party, its successors and assigns.

If the Secured Party agrees to the terms of this Addendum, please have an authorized signatory sign below.

Sincerely,

/s/ Yves J. Ribeill
Yves J. Ribeill
President

Agreed to and Accepted the 9th day of April, 2010

sanofi-aventis

By: _____

Name: _____

Title: _____

If the Secured Party agrees to the terms of this Addendum, please have an authorized signatory sign below.

Sincerely,

Yves J. Ribeill
President

Agreed to and Accepted the 9th day of April, 2010

sanofi-aventis

By: /s/ Jérôme Contamine

Name: Jérôme Contamine

Title: Executive Vice President and Chief Financial Officer

Sanofi
54 rue La Boétie
F-75116 Paris

For the attention of: Jérôme Contamine, Esq.

Durham (North Carolina), 17 March 2014

Dear Sir,

Addendum II

In consideration for USD1.00 (one United States dollar,) receipt from Sanofi and sufficiency and adequacy of which is hereby acknowledged,

1. Scynexis Inc. hereby irrevocably undertakes to Sanofi (formerly Sanofi-Aventis) to use the proceeds of the initial public offering of its equity interests pursuant to the effective registration statement made by Scynexis Inc. on February 27, 2014, under reference No. 333-194192, under the Securities Act of 1933 as amended (the "**IPO**"), in the amount of USD 7,500,000, as follows:

No later than June 30, 2014 (such day the "**Debt Reduction Date**"), and in the following order or priority:

- *First,* Scynexis Inc. shall fully and irrevocably prepay the USD 5,000,000 the Term Facility granted to Scynexis Inc. by HSBC Bank USA, National Association pursuant to that particular committed credit facility dated 9 April 2010 (as amended) and shall pay all fees and expenses in connection therewith;
- *Second,* Scynexis Inc. shall irrevocably prepay by USD2,500,000 the USD 10,000,000 revolving facility granted to Scynexis Inc. by HSBC Bank USA, National Association pursuant to such credit facility and shall pay all fees and expenses in connection therewith;

2. In addition, Scynexis hereby irrevocably undertakes to Sanofi (formerly Sanofi-Aventis) to execute with HSBC Bank USA, National Association an amending agreement of such credit facility so as to irrevocably reduce the aggregate principal amount of the abovementioned revolving facility to USD 7,500,000, such reduction to be irrevocably effective as from the Debt Reduction Date, 2 pm (New York Time) at the latest, and shall pay all fees and expenses in connection therewith;
3. Scynexis further irrevocably undertakes to fully and irrevocably repay by December 31, 2014 at the latest all amounts then owing to HSBC that are required to fully release Sanofi from its obligations pursuant to the Guarantee Agreement, and shall pay all fees and expenses in connection therewith;
4. Scynexis undertakes to indemnify and make Sanofi whole for any costs or expense as may be incurred by Sanofi as a result of the IPO proceeds not being applied on the terms set out in the side letter "Addendum" dated 9 April 2010 (a copy of which is attached hereto) to repay all

amounts then owing to HSBC that are required to fully release Sanofi from its obligations pursuant to the Guarantee Agreement.

This Addendum II shall be governed by the laws of the State of North Carolina in all respects, including matters of construction, validity and performance (without regard to its principles of conflicts of law). None of this Addendum II's terms or provisions may be waived, altered, modified, limited or amended except by a written agreement expressly referring hereto and to which Sanofi consents in writing. No provision of this Addendum II shall in any way inure to the benefit of any third person so as to constitute to any such person a third-party beneficiary of this Addendum II or otherwise give rise to any cause of action in any person not a party hereto. This Addendum II embodies the entire understanding between Sanofi and Scynexis Inc. with respect to the subject matter herein, and supersedes any and all prior understandings and agreements, oral or written, relating to the subject matter of this Addendum II. The rights granted to Sanofi herein shall be supplementary and in addition to those granted in any other agreements. This Addendum II binds Scynexis Inc, its successors and assigns, and inures to the benefit of Sanofi, its successors and assigns.

SIGNATURE: /s/ Yves Ribeill

Yves Ribeill, CEO SCYNEXIS, INC.

Sanofi, hereby agrees to the terms above, and confirms and agrees that,

a. until the Debt Reduction Date, Sanofi shall suspend enforcement of its rights and claims, whether current, future, actual or contingent, under the side letter "Addendum" dated 9 April 2010; and

b. immediately upon and by virtue of the valid and irrevocable completion of all the steps contemplated by paragraphs 1. and 2. above, all its rights and claims, whether current, future, actual or contingent, under such side letter "Addendum" dated 9 April 2010 will automatically terminate.

SIGNATURE: /s/ Jérôme Contamine

Paris,

Jérôme Contamine, CFO, SANOFI

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the use in this Amendment No. 1 to Registration Statement No. 333-194192 of our report dated February 27, 2014 (March 18, 2014 as to the fifth, sixth, and seventh paragraphs of Note 18), relating to the financial statements of SCYNEXIS, Inc. (which report expresses an unqualified opinion and includes an explanatory paragraph referring to going concern uncertainty) appearing in the Prospectus, which is part of such Registration Statement, and to the reference to us under the heading "Experts" in such Prospectus.

/s/ Deloitte & Touche LLP

Raleigh, North Carolina
March 18, 2014

Cooley LLP

Matthew B. Hemington
T: +1 650 843 5062
hemingtonmb@cooley.com

Via EDGAR

March 18, 2014

United States Securities and Exchange Commission
Division of Corporate Finance
100 F Street, N.E.
Washington, D.C. 20549

Attn: Jeffrey P. Riedler

Re: SCYNEXIS, Inc.
Registration Statement on Form S-1
Filed February 27, 2014
File No. 333-194192

Dear Mr. Riedler:

Attached for filing via EDGAR pursuant to the Securities Exchange Act of 1934, on behalf of our client, SCYNEXIS, Inc. (the ***"Company"***), is the Company's Amendment No. 1 to Registration Statement on Form S-1 (***"Amendment"***). The Amendment updates the Company's Registration Statement on Form S-1 (the ***"Registration Statement"***) filed with the Securities and Exchange Commission (the ***"Commission"***) on February 27, 2014.

The Amendment is being submitted in response to comments received from the staff of the Commission (the ***"Staff"***) by letter dated March 11, 2014, with respect to the Registration Statement (the ***"Comment Letter"***). The numbering of the paragraphs below corresponds to the numbering in the Comment Letter, the text of which we have incorporated into this response letter for your convenience. Except where otherwise indicated, page references in the text of the responses below correspond to the page numbers of the Registration Statement.

Staff Comments and Company Responses

Dilution, page 43

1. *You have not disclosed a net tangible book value per share before the planned offering that is consistent with the historical amounts shown in your consolidated balance sheet at December 31, 2013. Please explain to us your basis for concluding that this presentation of dilution per share to new investors conforms to guidance in Item 506 of Regulation S-K.*

   Response: The Company has added the disclosure of the net tangible book value per share before the planned offering that is consistent with the historical amounts shown in the Company's consolidated balance sheet at December 31, 2013, in response to the Staff's comment.

Exhibit 23.1

2. *Please revise your consent of Independent Registered Accounting Firm to reflect the opinion date of February 27, 2014 in your Report of Independent Registered Public Accounting.*

Response: The Company has revised the consent of Independent Registered Accounting Firm as requested in response to the Staff's comment.

In addition, the Company acknowledges:

- should the Commission or the Staff, acting pursuant to delegated authority, declare the filing effective, it does not foreclose the Commission from taking any action with respect to the filing;
- the action of the Commission or the Staff, acting pursuant to delegated authority, in declaring the filing effective, does not relieve the Company from its full responsibility for the adequacy and accuracy of the disclosure in the filing; and
- the Company may not assert Staff comments and the declaration of effectiveness as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Please advise us if we can provide any further information or assistance to facilitate your review. Please direct any further comments or questions regarding the Amendment or this response letter to me at (650) 843-5062.

Sincerely,

/s/ Matthew B. Hemington
Matthew B. Hemington

cc: Yves J. Ribeill, Ph.D., SCYNEXIS, Inc.

1225142 v1/HN