

THIS CONVERTIBLE PROMISSORY NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR UNDER ANY APPLICABLE SECURITIES LAWS. THIS CONVERTIBLE PROMISSORY NOTE HAS BEEN TAKEN BY THE REGISTERED HOLDER FOR INVESTMENT, AND WITHOUT A VIEW TO RESALE OR DISTRIBUTION THEREOF, AND MAY NOT BE TRANSFERRED OR DISPOSED OF WITHOUT AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH TRANSFER OR DISPOSITION DOES NOT VIOLATE THE SECURITIES ACT, AND THE RULES AND REGULATIONS THEREUNDER.

THE CONVERTIBLE PROMISSORY NOTES AND THE EQUITY SECURITIES ARE BEING OFFERED BY THE COMPANY IN ACCORDANCE WITH REGULATION S, PROMULGATED UNDER THE SECURITIES ACT; AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS IN THE ABSENCE OF REGISTRATION UNDER THE SECURITIES ACT OR AN APPLICABLE EXEMPTION THEREFROM.

HEDGING TRANSACTIONS INVOLVING THE CONVERTIBLE PROMISSORY NOTES AND THE EQUITY SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THE REOFFER OR RESALE BY PURCHASERS OF THE CONVERTIBLE PROMISSORY NOTES AND THE EQUITY SECURITIES, IF MADE PRIOR TO THE EXPIRATION OF ONE YEAR FROM THE PURCHASE DATE, MAY NOT BE MADE TO A U.S. PERSON OR FOR THE ACCOUNT OR BENEFIT OF A U.S. PERSON, UNLESS THE NEW PURCHASER CERTIFIES THAT IT IS NOT A U.S. PERSON AND IS NOT ACQUIRING THE SECURITIES FOR THE ACCOUNT OR BENEFIT OF ANY U.S. PERSON OR IS A U.S. PERSON WHO PURCHASED SECURITIES IN A TRANSACTION THAT DID NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT; AND THE NEW PURCHASER AGREES TO RESELL SUCH SECURITIES ONLY IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S, PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION; AND AGREES NOT TO ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO SUCH SECURITIES UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THIS CONVERTIBLE PROMISSORY NOTE IS BEING ISSUED IN REGISTERED FORM PURSUANT TO A CERTIFICATE; AND IS RECORDED ON THE BOOKS OF THE COMPANY. THIS CONVERTIBLE PROMISSORY NOTE IS NOT A BEARER INSTRUMENT.

CONVERTIBLE PROMISSORY NOTE
2015 Series; Number BE- [REDACTED]

Principal Amount: €100,000

Issuance Date: [REDACTED] April 2015
Berwyn, Pennsylvania

SECTION 1
INDEBTEDNESS

1.1 Indebtedness. FOR VALUE RECEIVED, the undersigned, Formula Pharmaceuticals, Inc., a Delaware corporation (the “Company”), intending to be legally bound, hereby unconditionally promises to pay to the order of the registered holder (“Registered Holder”) the principal amount of €100,000 on [REDACTED] October 2016 (the “Maturity Date”) and to pay interest thereon, at the rate of 8% per annum (calculated on the basis of a 360-day year of twelve 30-day months) until the principal hereof has been paid, or converted into equity securities of the Company in the manner set forth below. No payments of principal or interest are due hereunder until the Maturity Date, except as otherwise provided herein. This convertible promissory note (the “Note”) is issued as part of a series of similar convertible promissory notes (collectively, the “Notes”) dated in April 2015 (or other dates approved by the Company) to the respective Registered Holder registered in the books of the Company (collectively, the “Holders”). All payments of interest and principal shall be made in lawful money of the United States of America and shall be made pro rata among all Holders.

1.2 Manner and Place of Payment. Payment of the principal of, and any premium and interest on, this Note will be made in lawful money of the United States of America and in immediately available funds, at the principal residence of the Registered Holder (as set forth on the signature page of this Note), or such other place as the Registered Holder may designate in writing. Whenever any payment or other obligation hereunder shall be due on a day other than a business day in the State of Delaware, such payment shall be made on the next succeeding business day.

1.3 Prepayment. The principal amount, and accrued interest, of this Note may be prepaid at any time without premium or penalty.

1.4 Legal Adjustment of Interest. Notwithstanding any provision contained herein, the total liability of the Company (before or after default) for payment of interest pursuant hereto, shall not exceed the maximum amount of such interest permitted by law to be charged, collected or received from the Company, and if any payments by the Company include interest in excess of such maximum amount, the Registered Holder shall apply such excess to the reduction of the unpaid principal amount due pursuant hereto, or if none is due, such excess shall be refunded to the Company. Any such application or refund shall not cure or waive any default hereunder. In determining whether or not any interest payable under this Note exceeds the highest rate permitted by law, any prepayment of principal, original issue discount, or non-principal payment (except payments specifically stated in this Note to be “interest”), including without limitation, late charges, shall be deemed, to the extent permitted by applicable law, to be an expense, fee, premium or penalty rather than interest.

1.5 Acceleration on Change of Control. In the event of a “Change of Control Transaction,” prior to the repayment of the entire principal amount and accrued interest, the

Registered Holder may accelerate the entire principal balance outstanding under this Note, and interest accrued thereon, by written notice to the Company, and the entire principal balance outstanding under this Note, and interest accrued thereon, shall become immediately due and payable in immediately available U.S. funds upon receipt by the Company of said notice. For purposes hereof, “Change of Control Transaction” shall mean (i) a sale or transfer of all or substantially all of the assets of the Company in any transaction or series of related transactions, (ii) a sale or transfer of the Company’s outstanding capital stock having more than 50% of the total voting power of the Company, or (iii) any merger, consolidation or reorganization to which the Company is a party, except for a merger, consolidation or reorganization in which the Company is the surviving corporation and, after giving effect to such merger, consolidation or reorganization, the holders of the Company’s outstanding capital stock (on a fully diluted basis) immediately prior to the merger, consolidation or reorganization will own immediately following the merger, consolidation or reorganization an amount of the Company’s outstanding capital stock (on a fully diluted basis) having more than 50% of the total voting power of the Company.

1.6 Parity with Other Notes. The Company’s repayment obligation to the Registered Holder under this Note shall be on parity with the Company’s obligation to repay all Notes. In the event that the Company is obligated to repay the Notes and does not have sufficient funds to repay all the Notes in full, payment shall be made to the Holders of the Notes on a *pro rata* basis.

1.7 Registration and Certificates. Each of the Notes shall be issued in definitive registered form represented by one or more certificates registered in the names of the beneficial owners thereof; and recorded on the books of the Company. Separate or replacement certificates to be issued at the request of a beneficial owner in respect of such owner’s Notes will be issued at the expense of such owner.

SECTION 2 CONVERSION

2.1 Automatic Conversion into Next Round. The principal balance of this Note, and accrued interest thereon, may be paid by the Company through the issuance of securities as follows:

(a) At any time this Note remains outstanding, all or any portion of the principal balance of this Note (the “Conversion Amount”) shall automatically, and with no further action by Payee, be converted, at the conversion price set forth below, into Equity Securities of the Company issued in the Next Round of Financing (the “Next Round Securities”) immediately upon the consummation of such Next Round of Financing. The conversion price shall be equal to 80% of the per share price paid by the investors in the Next Round of Financing, and otherwise on the same terms and conditions as given to such investors, including any governance rights and any special rights (such as tag-along rights) typical of this kind of transaction. Any unpaid accrued interest on this Note shall be converted into Equity Securities on the same terms as the principal of this Note.

(b) For the purposes of this Note:

(a) “**Equity Securities**” shall mean the Company’s Common Stock or Preferred Stock, or any securities conferring the right to purchase the Company’s Common Stock or

Preferred Stock, or securities convertible into, or exchangeable for (with or without additional consideration), the Company's Common Stock or Preferred Stock, except that such defined term shall not include any security granted, issued and/or sold by the Company to any employee, director or consultant in such capacity; and

(b) "**Next Round of Financing**" shall mean a transaction or series of related transactions in which the Company issues and sells shares of its capital stock (common or preferred) to one or more institutional investors with net proceeds to the Company of not less than US\$5 million.

2.2 Optional Conversion at Maturity. The principal balance of this Note, and accrued interest thereon, may be paid by the Company through the issuance of securities as follows:

(a) On the Maturity Date, all or any portion of the principal balance of this Note (the "Conversion Amount") may, at the option of the Company, and with no further action by Payee, be converted, at the conversion price set forth below, into Common Stock of the Company. The conversion price shall be equal to 80% of the Fair Market Value of the Common Stock on the Maturity Date. Any unpaid accrued interest on this Note shall be converted into Common Stock on the same terms as the principal of this Note.

(b) For the purposes of this Note, "**Fair Market Value**" shall mean the fair value of the specified securities as determined by an independent valuation firm engaged by the Company, with the consent of the Holders owning in the aggregate not less than a majority of the then outstanding principal amount represented by all of the Notes (the "Requisite Holders") and paid for by the Company. The Company will communicate to all the Registered Holders the name of the independent valuation firm and the firm will be considered approved if the Company does not receive a written notice of disagreement from the Requisite Holders.

2.3 Conversion on Change of Control. In the event of a Change of Control Transaction prior to the conversion of this Note pursuant to Section 2.1 or 2.2, or the payment of the entire principal balance of this Note, and accrued interest, the Payee may, immediately preceding the completion of the Change of Control Transaction, convert the Conversion Amount into Common Stock at a conversion price equal to the 80% of the final price of the Common Stock negotiated in the context of the Change of Control Transaction.

2.4 Conversion Procedure. Upon any conversion of this Note pursuant to Section 2.1 or 2.2, Payee shall surrender this Note, together with a written conversion notice to the Company at its principal office. For purposes of Section 2.1 or 2.2, this Note or portion thereof shall be deemed to have been converted immediately prior to the close of business on the date of delivery of this Note, and the giving of such notice, if applicable, to the Company, even if the Company's stock transfer books are on that date closed, and Payee, or the nominee or nominees of Payee, shall be treated for all purposes as the record holder of the shares of stock deliverable upon such conversion as of the close of business on such date. Promptly after receipt by the Company of this Note and the notice, if applicable, the Company shall issue and deliver, at its expense, to Payee, or to the nominee or nominees of Payee, a certificate or certificates for the number of shares of its stock due on such conversion. If this Note is converted pursuant to Section 2.1 into Next Round Securities, Payee shall be granted any and all rights, privileges and preferences granted to all other participants in the Next Round of Financing, and the Company shall deliver

to Payee such agreements, documents and instruments as Payee may reasonably request in order to give effect to the foregoing such that Payee will become a party to the same agreements as the other participants in the Next Round of Financing.

2.5 Fractional Shares. No fractional shares of stock shall be issued upon conversion of this Note. Instead of any fractional share of stock which would otherwise be issuable upon conversion of this Note, the number of shares of stock issuable upon conversion hereof shall be rounded up to the nearest whole number.

2.6 Reservation of Shares. The Company covenants that it will at all times reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of issuance upon conversion of the Notes as herein provided, not less than such number of shares of the Common Stock as shall be issuable (taking into account any applicable adjustments) upon the conversion of the outstanding principal amount of the Notes and accrued interest. The Company covenants that the shares of Common Stock or Equity Securities issued to the Registered Holder upon conversion of this Note shall, upon issue, be duly and validly authorized, issued and fully paid, and nonassessable.

2.7 No Rights as a Stockholder. This Note shall not entitle the Registered Holder to any of the rights of a stockholder of the Company, including without limitation, the right to vote, to receive dividends and other distributions, or to receive any notice of, or to attend, meetings of stockholders or any other proceedings of the Company, unless and to the extent converted into shares of Common Stock or Equity Securities in accordance with the terms hereof.

2.8 Stockholder's Agreement. As a condition of converting this Note into Common Stock, the Registered Holder hereby agrees that to execute a stockholder's agreement, in such form as the Board determines, with respect to all shares issued to The Registered Holder upon the conversion of this Note.

SECTION 3 DEFAULT

3.1 Event of Default. An "Event of Default" under this Note means the occurrence of any of the following:

(a) if the Company shall (A) apply for or consent to the appointment of a receiver, custodian, trustee or liquidator of itself or of all or a substantial part of its property, (B) make a general assignment for the benefit of its creditors, (C) commence a voluntary case under the Federal Bankruptcy Code (as now or hereafter in effect), (D) file a petition seeking to take advantage of any other law providing for the relief of debtors, (E) fail to controvert in a timely or appropriate manner, or acquiesce in writing to, any petition filed against it in any involuntary case under the Federal Bankruptcy Code, or (F) take any corporate action for the purpose of effecting any of the foregoing; or

(b) if a proceeding or case shall be commenced against the Company in any court of competent jurisdiction for the (A) winding up, or composition or readjustment of debts, of the Company, (B) appointment of a trustee, receiver, custodian, liquidator or the like of the Company, or of all or any substantial part of any of its assets, or (C) grant of relief similar to that

specified in the foregoing clauses (A) and (B) in respect of the Company under any law providing for the relief of debtors, and such proceeding or case shall continue undismissed, or unstayed and in effect, for a period of 60 days, or any order for relief against the Company shall be entered in an involuntary case under the Federal Bankruptcy Code; or

(c) the Company fails to pay any principal amount or interest accrued thereon of this Note when due.

3.2 Remedies. Upon the occurrence of any Event of Default described in Sections 3.1, upon the declaration of the Requisite Holders and upon written notice to the Company, the Requisite Holders may accelerate the entire principal balance outstanding under this Note, and interest accrued thereon, by written notice to the Company, and the entire principal balance outstanding under this Note, and interest accrued thereon, shall become immediately due and payable in immediately available U.S. funds upon receipt by the Company of said notice. At such time, the Requisite Holders shall be entitled to exercise any remedies that they may have at law, or in equity, in order to collect the debt hereunder including, without limitation, the commencement of legal proceedings against the Company. The rights, powers and remedies provided herein in favor of the Holders shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other rights and remedies in favor of the Holders existing at law or in equity, including without limitation all of the rights, powers and remedies available to a creditor under the Uniform Commercial Code and may be exercised concurrently, independently or successively by the Requisite Holders hereof in their discretion.

3.3 Default Interest Rate. If an Event of Default occurs and is continuing under this Note, the per annum effective rate of interest on all outstanding principal under this Note shall be increased under this Note to 10% per annum. All such increases may be applied retroactively to the date of the occurrence of the Event of Default.

SECTION 4 MISCELLANEOUS

4.1 Contents of Note. This Note sets forth the entire understanding of the parties with respect to the transactions contemplated hereby, and supersedes all prior agreements or understandings among the parties regarding those matters.

4.2 Governing Law; Venue. This Note shall be governed by and construed in accordance with the laws of the State of Delaware applicable to contracts entered into and wholly to be performed within the State of Delaware by residents of the State of Delaware. The Company hereby irrevocably submits to the non-exclusive jurisdiction of the courts of the State of Delaware and of the United States of America for the District of Delaware for the purpose of any action or proceeding relating to this Note. The Company hereby consents to service of process upon it by mailing or delivering of such service to its address set forth below. Such service shall be deemed effected ten (10) days after such mailing or delivery. Nothing in this paragraph shall affect the rights of The Registered Holder to serve legal process in any other manner, or in any other jurisdiction, permitted by applicable law.

4.3 Amendment, Parties in Interest, Assignment, Etc. This Note may be amended, modified or supplemented only by a written instrument duly executed by the Company, and

approved by the Requisite Holders. If any provision of this Note shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Note shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Note shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, legal representatives, successors and permitted assigns of the parties. Nothing in this Note shall confer any rights upon any person other than the parties hereto and their respective heirs, legal representatives, successors and permitted assigns. Any term or provision of this Note may be waived at any time by the Company and/or the Requisite Holders. Neither the Company nor the Registered Holder may assign this Note without the prior written consent of the other.

4.4 Interpretation. Unless the context of this Note clearly requires otherwise, (a) references to the plural include the singular, the singular include the plural, the part include the whole, (b) references to any gender include all genders, (c) “or” has the inclusive meaning frequently identified with the phrase “and/or,” (d) “including” has the inclusive meaning frequently identified with the phrase “but not limited to” and (e) references to “hereunder” or “herein” relate to this Note. The section and other headings contained in this Note are for reference purposes only and shall not control or affect the construction of this Note or the interpretation thereof in any respect. Section, subsection, Schedule and Exhibit references are to this Note unless otherwise specified. Any reference to a party being satisfied with any particular item or to a party’s determination of a particular item presumes (unless expressly stated otherwise) that such standard will not be achieved unless such party shall be satisfied or shall have made such determination in its sole or complete discretion.

IN WITNESS WHEREOF, the Company and the Registered Holder have executed this Note as of the date above set forth.

REGISTERED HOLDER:

Sign Here: _____
Print Name: _____
Address: _____

AGREED AND ACCEPTED:

FORMULA PHARMACEUTICALS, INC.

By: _____
Maurits W. Geerlings
Chief Executive Officer

SIGNATURE PAGE OF CONVERTIBLE PROMISSORY NOTE