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

FORM 6-K

**Report of Foreign Private Issuer
Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934**

Date of Report: November 13, 2017

Commission File Number: 001-36891

Collectis S.A.

(Exact Name of registrant as specified in its charter)

**8, rue de la Croix Jarry
75013 Paris, France
+33 1 81 69 16 00**
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F: Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Exhibits

The following document, which is attached as an exhibit hereto, is incorporated by reference herein.

This report on Form 6-K shall be deemed to be incorporated by reference in the registration statement on Form F-3 (No. 333-217086) of Collectis S.A., to the extent not superseded by documents or reports subsequently filed.

Exhibit	Title
10.1	Management Services Agreement dated January 1, 2016 between Collectis S.A., Collectis, Inc. and Calyxt, Inc.
10.2	Management Services Agreement Amendment dated July 25, 2017 between Collectis S.A., Collectis, Inc. and Calyxt, Inc.
10.3	Separation Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.
10.4	Stockholders Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.
10.5	License Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.
99.1	Collectis S.A.'s interim report for the quarter and nine-month period ended September 30, 2017.

SIGNATURES

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

COLLECTIS S.A.
(Registrant)

November 13, 2017

By: /s/ André Choulika
André Choulika
Chief Executive Officer

EXHIBIT INDEX

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MANAGEMENT SERVICES AGREEMENT

This Agreement is made by and between **CELLECTIS SA**, a French *Société Anonyme*, located at 8, rue de la Croix Jarry, 75013 Paris, France, (hereinafter “CLS”); **CELLECTIS, INC.**, a Delaware corporation, located at 430 East 29th Street, New York, New York, 10016, USA (hereinafter “CLI”); and **CALYXT, INC.**, a Delaware corporation, located at 600 County Road D West, Suite 8, New Brighton, MN 55112, USA, (hereinafter “CLX”). CLS, CLI, and CLX are thereafter named individually, a “Party” and together the “Parties”.

WHEREAS:

The Parties are members of the same group of companies (the “**Group**”). CLS is the parent company of CLI and CLX (the “**Subsidiaries**”).

Because of its size and position in the global market, CLS has, within its corporate headquarters, a large number of staff that carries out a number of specialized functions. Through its headquarters’ staff, CLS carries out a number of activities from which the Subsidiaries, directly or indirectly, benefit.

Because of its specificity, each Subsidiary has a qualified staff. Each Party wishes to benefit from other Subsidiaries capacity in particular domains.

For the purpose of the present agreement, each Party which provides the Services for the benefit of another Party is called the “**Provider**” and each Party which receives the Services from another Party is called the “**Beneficiary**”.

Each Party agrees that it is appropriate for a proportion of the costs incurred by the Provider which relate to activities carried out that directly or indirectly benefit the Beneficiary, either at the explicit request of the Beneficiary, or otherwise, to be charged by the Provider to the Beneficiary .

THE PARTIES AGREE AS FOLLOWS:

1. PURPOSE

The purpose of this agreement (the “**Agreement**”) is to confirm in writing and to specify the terms and conditions of the provision by the Provider to the Beneficiary of the Services indicated below.

2. NATURE OF SERVICES

2.1 Each Party, as Provider, shall throughout the term of this Agreement, provide services as listed below (the “**Services**”) that each of the other Parties, as Beneficiary, may require from time to time. The Subsidiaries shall act with the sole direction of Collectis SA in providing the Services under this Agreement.

(i) Finances, including but not limited to investor relations, advices in structuring internal accounting, costs control; keeping of the mandatory books and accounts, support in structuring and developing internal administrative procedures; advice in conducting internal audit and assistance in internal audit, with the purpose of ensuring proper control; improving financial return on assets, assistance in the preparation of the budget and operating plans; assistance in compliance with fiscal obligations, such as filing tax returns, computing and paying taxes; management of local accounting function; assistance in evaluating financial needs; financial services and treasury; centralized foreign currency hedging and more generally centralized financial risks management in order to optimize costs.

(ii) Legal, including but not limited to legal advices on matters with domestic and international aspects and consequences; insurances; general tax and legal planning, including advice in reorganising and restructuring in order to optimize Beneficiary's performance; drafting and negotiation of agreements in accordance with applicable laws and regulations and the group standards.

(iii) Intellectual Property including but not limited filing, maintenance and prosecution of patent application and patents, defense of intellectual property rights.

(iv) Human Resources, including but not limited to contractual, administrative, social security and fiscal activities connected to the ordinary and extraordinary management of personnel; selection and hiring of personnel; assistance in defining career paths; assistance in defining compensations and benefit schemes (including stock option plans); definition of personnel evaluation process; training of personnel; supply of staff for limited period; coordination of the sharing of personnel on a temporary on a permanent basis; management of redundancies.

(v) Information Technology, including but not limited to building, development and management of the information system; study, development, installation and periodic/extraordinary maintenance of software; study, development, installation and periodic/extraordinary maintenance of hardware system; supply and transmission of data; backup services.

(vi) Research and Development, including but not limited to research and development activities.

(vii) Business Development, including but not limited to study, development and coordination of the marketing activities; study, development and coordination of the sale promotions; study, development and coordination of the advertising campaigns; providing industry forecast and/or market research; identifying of sales opportunities; providing representational and marketing services in overseas countries where a Beneficiary does not have a discrete presence of its own.

(viii) Communication, including but not limited to advice and support with respect to internal and external communications policy and techniques; providing a creditable, informative and continuing source of news material; publicising the activities as part of Group publicity; minimising the media impact of news stories which could adversely affect the Beneficiary's reputation; organising press briefings and interviews which demonstrate the Group's technology leadership in support of Beneficiary's marketing effort; providing guidance and direction in the development of Beneficiary's advertising campaigns; establishing and maintaining a Beneficiary's Internet site.

(ix) Strategy (General Management), including but not limited to assisting the Beneficiary in developing and implementing the strategic plan, including the identification of suitable acquisition targets; maintaining data on products, markets, competitors, forecasts ... necessary for the planning process or divestments; assisting in the preparation of, or reviewing justifications for, acquisitions, disposals, business expansion, capital expenditure etc... assisting a Beneficiary in negotiating with vendors of target companies or with purchasers for the sale of existing businesses and with potential joint venture partners; liaising with outside advisors for the above.

The Provider may subcontract to a third party any of the Services.

3. PERFORMANCE OF SERVICES

3.1 Information and collaboration of the Parties

Close collaboration between the Provider and the Beneficiary is necessary for the proper performance of the all or part of the Services.

The Provider and the Beneficiary undertake to meet regularly in order to review the performance of the Services for the past period and to define the services for the subsequent one, if applicable.

3.2 Liability

The liability of the Provider shall be limited to the breach in the performance of the Services, which has been established by the Beneficiary and will be limited to the amount of the remuneration received by the Provider under the Agreement.

3.3 Hierarchical and disciplinary powers

The personnel of the Provider shall in all circumstances remain under the disciplinary authority of the Provider.

The Provider shall, in its capacity of employer, ensure the administrative, accounting and employment management of its employees involved in the performance of the Services provided for in this agreement, as the case may be.

4. REMUNERATION

4.1 Management Fees. In consideration for the Services actually performed by the Provider to the Beneficiary, the Beneficiary shall pay to the Provider fees ("Management Fees") consisting of:

- (i) Reimbursement of all costs and expenses reasonably incurred by the Provider in connection with the provision of the Services by the Provider to the Beneficiary for such calendar quarter ("Costs and Expenses"). Such Costs and Expenses correspond to an allocation of salary and social contribution and indirect costs incurred by the Provider, provided that the basis of such allocation is specified in Exhibit 1,
- (ii) Payment of a mark-up corresponding to a percentage of certain of the Costs and Expenses, as specified in Exhibit 1, and
- (iii) the Provider will recharge the Beneficiary of any actual costs and expenses of Services which have been subcontracted by the Provider on behalf of the Beneficiary (i.e. the direct costs)

4.2 Quarterly payments based on estimates. Non-final invoices and payments of the Management Fees shall be made by the Beneficiary on a quarterly basis, based on an estimate made by the Provider and provided to the Beneficiary as soon as practicable before the end of each calendar quarter.

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- 4.3 Annual final payment.** Within thirty (30) days following the end of each calendar year, the Provider shall deliver to the Beneficiary:
- (i) a statement of the actual Costs and Expenses incurred in providing the Management Services during the past year, setting forth the basis for calculation in such detail as reasonably required (the “Final Costs and Expenses”),
 - (ii) a statement of the direct costs incurred during the past year,
 - (iii) the documentation supporting such statements, and
 - (iv) an invoice or a credit (as appropriate) corresponding to the difference between the actual costs declared by the Provider as per Section 4.3 (i), and the estimated costs initially paid as per Section 4.2. Such invoice or credit shall be paid within 30 days after receipt.
- 4.4 Audit Right.** The Beneficiary shall have access to the relevant books and files of the Provider for the purposes of verifying the calculation of Costs and Expenses, and the true-up adjustment, during normal business hours at the Company’s premises or as otherwise mutually agreed. The Company’s staff shall provide assistance to the Beneficiary for such purposes.
- 4.5 Taxes.** It is understood and agreed between the Parties that any payments made under this Agreement are exclusive of any value added or similar tax (“VAT”), which will be added thereon as applicable. Where VAT is properly added to a payment made under this Agreement, the Party making the payment (i.e. the Beneficiary) will pay the amount of VAT only on receipt of a valid tax invoice issued in accordance with the laws and regulations of the country in which the VAT is chargeable. In addition, in the event any of the payments made by the Beneficiary pursuant to this Agreement become subject to withholding taxes under the laws of any jurisdiction, the Beneficiary will deduct and withhold the amount of such taxes for the account of the Provider, to the extent required by law, such amounts payable to the Provider will be reduced by the amount of taxes deducted and withheld, and the Beneficiary will pay the amounts of such taxes to the proper governmental authority in a timely manner and promptly transmit to the Provider an official tax certificate or other evidence of such tax obligations together with proof of payment from the relevant governmental authority of all amounts deducted and withheld sufficient to enable them to claim such payment of taxes. Any such withholding taxes required under applicable law to be paid or withheld will be an expense of, and borne solely by the Beneficiary, and the Provider will provide the Beneficiary with reasonable assistance to enable the Beneficiary to recover such taxes as permitted by law.
- 5. DURATION**
- 5.1** This Agreement shall take effect as of 1st January 2016.
- 5.2** This agreement is entered into for an initial period ending 31 December 2016, and is automatically renewable for successive period(s) of one year, unless earlier terminated in accordance with Section 5.3 or Section 5.4.
- 5.3** Each Party has the right to terminate the Agreement at the anniversary date of Agreement, by giving three (3) months prior notice.

5.4 The Agreement may be terminated:

- (a) by the board of directors of Collectis SA upon thirty (30) days' written notice for any reason in its sole discretion, or
- (b) by Collectis SA upon sixty (60) days' written notice in the following event:
 - (i) change of control of a Party;
 - (ii) sale of all or a substantial part of the assets of a Party;
 - (iii) final judgment, order or decree which materially and adversely affects the ability of a Party to perform under this Agreement; or
 - (iv) Collectis SA makes a general assignment for the benefits of its creditors, file a petition of bankruptcy or for liquidation, is adjudged insolvent or bankrupt, commences any proceedings for a reorganization or arrangements of debts, dissolution or liquidation.

5.5 Upon termination of this Agreement, the Beneficiary shall surrender to the Provider any and all books, records, documents and other property in the possession or control of the Beneficiary relating to this Agreement and to the business, finance, technology, trademark or affairs of the Provider, and except as required by law, shall not retain any copies of the same.

6. CONFIDENTIALITY

6.1 During the term of this Agreement and for a period of 10 years thereafter, each Party (the "Recipient") undertakes to treat as confidential all information disclosed directly or indirectly by the other Party ("the Discloser") and to hold such information in strict confidence and shall not disclose, communicate or in any way divulge to any other person or entity any such information. The Receiving Party shall only be entitled to disclose, on a need to know and permitted basis, information to its directors, employees, consultants, cocontractants (collectively the "Authorized Recipients"); provided that the Recipient has previously bound such Authorized Recipients by confidentiality and restricted use obligations at least as stringent than those set forth in this Section 6.1. The Recipient shall be responsible towards the Discloser for any breach by its Authorized Recipients of any such confidentiality and restricted use obligations.

6.2 For the purpose of this Agreement, shall not be deemed confidential, any information that the Recipient can demonstrate, by competent evidence, that:

- (a) at the time of disclosure or acquisition is generally available to the public, or after the time of disclosure or acquisition is generally available to the public through no act or omission of the Recipient and its Authorized Recipients;
- (b) was legally in the possession and at the free disposal of the Recipient prior to disclosure by the Discloser, as evidenced by written records then in the possession of the Recipient; or
- (c) is rightfully made available to the Recipient by others without recourse to such information disclosed by the Discloser.

6.3 The Recipient is entitled to disclose the Discloser' information in order to comply with the requirements of applicable law or governmental regulation or definitive court order, provided that

the Recipient shall first notify the Discloser of such required disclosure and of each information concerned and shall limit such disclosure as far as possible under applicable law. Such disclosure shall, however, not relieve the Recipient of its other obligations contained herein.

7. MISCELLANEOUS

- 7.1** No amendment to this Agreement shall be valid unless embodied in a writing executed by each of the Parties hereto. No waiver of any of the provisions of this Agreement shall be valid unless embodied in a writing executed by the Party against whom the waiver is sought to be enforced.
- 7.2** This Agreement constitutes the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreement, general terms and conditions, understanding or arrangements, whether written or oral, including the Management Services Agreement signed by Collectis SA and its subsidiaries on September 7, 2010 as amended.
- 7.3** Severability. In the event that any clause of this Agreement becomes void, avoidable, unenforceable, invalid, illegal or inapplicable, the validity of this Agreement shall not be affected nor shall any of the Parties be released from the performance of this Agreement. In such an event, the Parties will negotiate in good faith in order to substitute, if possible, the relevant unlawful clause with a lawful clause corresponding to the spirit and object of the original clause.
- 7.4** Independent Contractors. Both Parties are independent contractors under this Agreement. Nothing herein contained will be deemed to create an employment, agency, joint venture or partnership relationship between the Parties hereto or any of their agents or employees, or any other legal arrangement that would impose liability upon one Party for the act or failure to act of the other Party. Neither Party will have any express or implied power to enter into any contracts or commitments or to incur any liabilities in the name of, or on behalf of, the other Party, or to bind the other Party in any respect whatsoever.
- 7.5** Assignment. This Agreement is personal to the Subsidiaries. Therefore each Subsidiaries is neither entitled nor empowered to assign this Agreement or any part hereof, or have any third party substituting for itself in this Agreement or part of it, or be assisted by any third party in the performance of the obligations hereunder, without the prior written consent of CLS. This Agreement may be freely assigned by CLS as part of a business sale, merger, split-off or spin-off. In the event that this Agreement is assigned to any company, CLS agrees that all terms and clauses hereof shall have the same effects as if the Agreement had been originally made with said company.

8. APPLICABLE LAW

8.1 This Agreement is governed by and interpreted according to the French law.

8.2 Any litigation that may arise under this agreement, in particular in relation to its validity, interpretation, performance or termination, shall be submitted to the *Tribunal de Grande Instance* of Paris.

/s/ André Choulika

CELLECTIS, INC.

André CHOULIKA, CEO

/s/ Federico Tripodi

CALYXT, INC.

Federico TRIPODI, CEO

/s/ David Sourdive

CELLECTIS, SA

David SOURDIVE, Deputy CEO

EXHIBIT 1

The pricing methodology, identifies the cost centers and applies an allocation key generally specific for each service identified. Those allocations keys applied to the full cost of the cost centers, may depend on ratio of full time employees ("FTE"), ratio of active users, reasonable estimate of time spent, etc., depending on the specificities of each service provided.

We specifically identify the party that performs/incurs the service/cost and the party that benefits from such service/cost in the sections below as each service may or may not be subject to a different mark-up depending on the party that performs/incurs the service/cost.

The calculation should be made in the following order CLI to CLS and then CLS to CLX and CLI.

Out of pocket related to all services costs listed below are subject to a recharge of the costs incurred.

Services performed by Collectis, Inc. (CLI) on behalf of Collectis SA (CLS):

<u>Types of Services</u>	<u>Costs and Expenses</u>	<u>Basis of Allocation of the Costs and Expenses</u>	<u>Mark-up</u>
R&D – Pfizer collaboration	Salaries and social contribution costs	Time spent	8%
	Indirect costs		0%
R&D – internal products	Salaries and social contribution costs	Time spent	8%
	Indirect costs	Indirect costs	0%
Communication	Salaries and social contributions costs	Time spent	10%
	Indirect costs		0%
Finance	Salaries and social contributions costs	Time spent	4%
	Indirect costs		0%
Business Development	Costs incurred	20% of costs incurred	0%

Services performed by Collectis SA (CLS) on behalf of Calyxt, Inc. (CLX):

<u>Types of Services</u>	<u>Costs and Expenses</u>	<u>Basis of Allocation of the Costs and Expenses</u>	<u>Mark-up</u>
General Management	Salaries and social contribution costs of CLS CEO and his assistant	Time spent	10%
	Indirect costs		0%
Finances	Salaries and social contribution costs	Time spent	4%
	Indirect costs		0%
IT – LIMS use	Salaries and social contribution costs	Number of CLX’s users of the LIMS	4%
	Indirect costs		0%
IT – internal support	Salary and social contribution costs	Number of CLX’s FTE	4%
	Indirect costs		0%
Intellectual Property	Salaries and social contribution costs	Time spent	10%
	Indirect costs		0%
Human Resources	Salaries and social contribution costs	Number of CLX’s FTE	10%
	Indirect costs		0%
Legal	Salaries and social contribution costs	Time spent	10%
	Indirect costs		0%
Communication	Salaries and social contribution costs	Time spent	10%
	Indirect costs		0%

Services performed by Collectis SA (CLS) on behalf of Collectis, Inc. (CLI):

<u>Types of Services</u>	<u>Costs and Expenses</u>	<u>Basis of Allocation of the Costs and Expenses</u>	<u>Mark-up</u>
General Management	Salaries and social contribution costs of CLS CEO and his assistant	Time spent	10%
	Indirect costs		0%
Finance	Salaries and social contribution costs	Time spent	4%
	Indirect costs		0%
IT – LIMS use	Salaries and social contribution costs	Number of CLI’s users of the LIMS	4%
	Indirect costs		0%
IT – internal support	Salaries and social contribution costs	Number of CLI’s FTE	4%
	Indirect costs		0%
Human Resources	Salaries and social contribution costs	Number of CLI’s FTE	10%
	Indirect costs		0%
Legal	Salaries and social contribution costs	Time spent	10%
	Indirect costs		0%

Services performed by Collectis, Inc. (CLI) on behalf of Calyxt, Inc. (CLX):

<u>Types of Services</u>	<u>Costs and Expenses</u>	<u>Basis of Allocation of the Costs and Expenses</u>	<u>Mark-up</u>
Business Development	Costs incurred	80%	0%

FIRST AMENDMENT TO THE
MANAGEMENT SERVICES AGREEMENT

This FIRST AMENDMENT TO THE MANAGEMENT SERVICES AGREEMENT (the “**Amendment**”) is entered into and made effective as of July 25, 2017 by and among Collectis S.A. (“**CLS**”), Collectis, Inc. (“**CLI**”) and Calyxt, Inc. (“**CLX**”), each a Party and together the Parties.

WHEREAS, CLS, CLI and CLX entered into that certain Management Services Agreement (the “**Management Services Agreement**”), dated January 1, 2016; and

WHEREAS, the Parties have agreed to amend the Management Services Agreement to revise the termination provision.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree that the Management Services Agreement is hereby amended as follows:

1. Section 2.1 is hereby amended to include the following at the end of the section:

Further, Provider shall not unilaterally increase the amount of Services provided to Beneficiary from the previous year without the Beneficiary’s prior written consent. If the Provider decides to decrease the amount of Services, it shall notify such decision to the Beneficiary at least ninety (90) days before such change and the Provider and the Beneficiary shall act with its best business efforts to allow for the smooth transition of Services to Beneficiary without disruption of the Beneficiary’s business and operations. Notwithstanding the foregoing, and subject to the prior written approval of Provider, Beneficiary may determine certain of the Services identified in Section 2.1(i)-(ix) provided by Provider may become duplicative of those undertaken independently by Beneficiary and Beneficiary shall not be charged for any such Services that are deemed duplicative and identified as such in the Annual Budget as set forth in Section 4.2 below.

2. Section 4 **RENUMERATION** shall be amended as follows:

4.1 **Management Fees.** Shall remain as stated.

4.2 shall be replaced with the following new provision:

4.2. Annual Budget. Prior to December 15 of each calendar year, Provider will mutually agree on the Services to be provided to the Beneficiary in the next following calendar year (“Annual Budget”); provided, however, that Provider will not be able to unilaterally increase the amount of services provided on the previous year without Beneficiary’s written consent. Provider will prepare an estimated budget of the Management Fees, Costs and Expenses, direct costs and mark-up provided and broken down by time and hourly cost by position and by month. The types of Services, Management Fees, Costs and Expenses, direct costs and mark-up provided or charged by Provider to Beneficiary in the Annual Budget shall be incorporated by December 15th annually into an amended Exhibit 1 to be attached hereto.

4.3 shall be replaced with the following new provision:

4.3. Variances to Annual Budget. The Parties acknowledge that from time-to-time additional services or purchases not contemplated in the Annual Budget and forecast may be required (including but not limited to: special projects, trait vetting, strategic analysis, additional support services, consulting and professional services, etc.) In the event that additional Services are requested or to be provided in excess of \$50,000 that are not included in the then current Annual Budget, the CEO of the Provider and the CEO of the Beneficiary shall discuss the nature of the additional Services and the additional costs before any additional services are commenced. If approved, the costs of the additional Services shall be added to the Annual Budget and amend Exhibit 1 to include such additional services and be signed by both Parties.

4.4 shall be replaced with the following new provision new provision 4.4: [existing **4.4 Audit Rights** to remain unchanged but renumbered as **4.7**]

4.4 Semi-annual forecast. By June 15th of each calendar year, if the actual Services provided during the first half of the current year are materially different from the Services provided in the Annual Budget, Provider shall provide to Beneficiary a forecast of the Costs and Expenses of Management Services and direct costs for the remaining 6 months of the then current calendar year.

4.5 shall be replaced with the following new provision new provision 4.5: [existing **4.5 Taxes** to remain unchanged but renumbered as **4.8**]

4.5 Estimated quarterly payments. Non-final invoices and payments of the Management Fees, Costs and Expenses, direct costs and mark-up, performed by the Provider for the Beneficiary and as set forth on the quarterly estimates made by the Provider and provided to the Beneficiary per current Exhibit 1, shall be submitted and paid by the Beneficiary to Provider within five business days before the end of each calendar quarter.

New provision 4.6 shall be added to Section 4:

4.6 Quarterly reporting. By the fifteenth business day after the end of each calendar quarter, Provider will provide to Beneficiary

- (i) a statement of actual Costs and Expenses incurred in providing the Management Services during the past quarter, setting forth the basis for calculation in such detail as reasonable required (the “Final Quarterly Costs and Expenses”),
- (ii) a statement of direct costs incurred during the past quarter,
- (iii) the documents supporting such statements, and
- (iv) an invoice or a credit (as appropriate) corresponding to the difference between actual costs declared by the Provider as per Section 4.6(i), and the estimated costs initially paid as per section 4.5. Such invoice or credit shall be paid within 30 days after receipt.

4.7 Audit Rights to remain unchanged but renumbered from 4.4 of the Agreement.

4.8 Taxes to remain unchanged but renumbered from 4.5 of the Agreement.

3. Section 5.4 is deleted in its entirety and replacing it with the following:

“5.4 This Agreement may be terminated:

- (a) by CLS, with respect to CLI or CLX, as applicable, effective upon written notice of termination to CLI or CLX, as applicable, if:
 - (i) CLI or CLX, as applicable, defaults in the performance or observance of any material term, condition or agreement contained in this Agreement and such default continues for a period of 30 days after written notice thereof specifying such default and requesting that the same be remedied in such 30-day period; provided, however, that if the fact, circumstance or condition that is the subject of such obligation cannot reasonably be remedied within such 30-day period and if, within such period, CLI or CLX, as applicable, provides reasonable evidence to CLS that it has commenced, and thereafter proceeds with all due diligence, to remedy the fact, circumstance or condition that is the subject of such obligation, such period shall be extended for a reasonable period satisfactory to CLS, acting reasonably, for CLI or CLX, as applicable, to remedy the same;
 - (ii) CLI or CLX, as applicable, engages in any act of gross negligence, fraud or willful misconduct in performance of its obligations under this Agreement;
 - (iii) CLI or CLX, as applicable, makes a general assignment for the benefit of its creditors, institutes proceedings to be adjudicated voluntarily bankrupt, consents to the filing of a petition of bankruptcy against it, is adjudicated by a court of competent jurisdiction as being bankrupt or insolvent, seeks reorganization

under any bankruptcy law or consents to the filing of a petition seeking such reorganization or has a decree entered against it by a court of competent jurisdiction appointing a receiver liquidator, trustee or assignee in bankruptcy or in insolvency; or

- (iv) CLI or CLX, as applicable, or substantially all of their respective assets, is acquired by an unrelated third party.
- (b) by CLI, with respect to CLS or CLX, as applicable, effective upon written notice of termination to CLS or CLX, as applicable, if:
- (i) CLS or CLX, as applicable, defaults in the performance or observance of any material term, condition or agreement contained in this Agreement and such default continues for a period of 30 days after written notice thereof specifying such default and requesting that the same be remedied in such 30-day period; provided, however, that if the fact, circumstance or condition that is the subject of such obligation cannot reasonably be remedied within such 30-day period and if, within such period, CLS or CLX, as applicable, provides reasonable evidence to CLI that it has commenced, and thereafter proceeds with all due diligence, to remedy the fact, circumstance or condition that is the subject of such obligation, such period shall be extended for a reasonable period satisfactory to CLI, acting reasonably, CLS or CLX, as applicable, to remedy the same;
 - (ii) CLS or CLX, as applicable, engages in any act of gross negligence, fraud or willful misconduct in performance of its obligations under this Agreement;
 - (iii) CLS or CLX, as applicable, makes a general assignment for the benefit of its creditors, institutes proceedings to be adjudicated voluntarily bankrupt, consents to the filing of a petition of bankruptcy against it, is adjudicated by a court of competent jurisdiction as being bankrupt or insolvent, seeks reorganization under any bankruptcy law or consents to the filing of a petition seeking such reorganization or has a decree entered against it by a court of competent jurisdiction appointing a receiver liquidator, trustee or assignee in bankruptcy or in insolvency; or
 - (iv) CLS or CLX, as applicable, or substantially all of their respective assets, is acquired by an unrelated third party.
- (c) by CLX, with respect to CLS or CLI, as applicable, effective upon written notice of termination to CLS or CLI, as applicable, if:
- (i) CLS or CLI, as applicable, defaults in the performance or observance of any material term, condition or agreement contained

in this Agreement and such default continues for a period of 30 days after written notice thereof specifying such default and requesting that the same be remedied in such 30-day period; provided, however, that if the fact, circumstance or condition that is the subject of such obligation cannot reasonably be remedied within such 30-day period and if, within such period, CLS or CLI, as applicable, provides reasonable evidence to CLX that it has commenced, and thereafter proceeds with all due diligence, to remedy the fact, circumstance or condition that is the subject of such obligation, such period shall be extended for a reasonable period satisfactory to CLX, acting reasonably, CLS or CLI, as applicable, to remedy the same;

- (ii) CLS or CLI, as applicable, engages in any act of gross negligence, fraud or willful misconduct in performance of its obligations under this Agreement;
- (iii) CLS or CLI, as applicable, makes a general assignment for the benefit of its creditors, institutes proceedings to be adjudicated voluntarily bankrupt, consents to the filing of a petition of bankruptcy against it, is adjudicated by a court of competent jurisdiction as being bankrupt or insolvent, seeks reorganization under any bankruptcy law or consents to the filing of a petition seeking such reorganization or has a decree entered against it by a court of competent jurisdiction appointing a receiver liquidator, trustee or assignee in bankruptcy or in insolvency; or
- (iv) CLS or CLI, as applicable, or substantially all of their respective assets, is acquired by an unrelated third party.”

4. Section 5.5 shall be amended and replaced with the following:

Upon termination of this Agreement pursuant to sections 5.3 and 5.4 above, the Beneficiary shall surrender to the Provider all books, records, documents, information and other property that is solely that of the Provider, and not subject to any other license or agreement between the parties at the time of termination, except if such books, records, documents, information and other property are necessary for the Beneficiary to operate its current activities or to comply with applicable laws and regulations. For sake of clarity, Section 6 of the Agreement (Confidentiality) shall apply to such books, records, documents, information and other property.

5. All other provisions of the Management Services Agreement not amended above shall remain in full force and effect.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Amendment to be duly executed by their respective authorized officers as of the day and year first written above.

CELLECTIS S.A.

By: /s/ David Sourdiv
Name: David Sourdiv
Title: Deputy Chief Executive Officer

CELLECTIS, INC.

By: /s/ André Choulika
Name: André Choulika
Title: Chief Executive Officer

CALYXT, INC.

By: /s/ Federico Tripodi
Name: Federico Tripodi
Title: Chief Executive Officer

[Signature Page to First Amendment to Management Services Agreement]

SEPARATION AGREEMENT

THIS SEPARATION AGREEMENT, dated as of July 25, 2017, is by and between CELLECTIS S.A., a French *société anonyme* (“**Collectis**”) and CALYXT, INC., a Delaware corporation (the “**Company**” and each of Collectis and the Company, a “**Party**” and, together, the “**Parties**”). Capitalized terms used herein shall have the respective meanings assigned to them in Article 1 hereof.

RECITALS

WHEREAS, Collectis is the owner of all of the issued and outstanding Common Stock of the Company prior to the proposed initial public offering by the Company; and

WHEREAS, the Parties wish to set forth certain agreements that will govern certain matters between them following the Effective Date.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained in this Agreement, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.01. *Certain Definitions.* For the purpose of this Agreement the following terms shall have the following meanings:

“**Action**” means any demand, action, suit, countersuit, arbitration, inquiry, proceeding or investigation by or before any Governmental Authority or any federal, state, local, foreign or international arbitration or mediation tribunal.

“**Affiliate**” of any Person means a Person that, directly or indirectly, controls, is controlled by, or is under common control with such Person *provided, however,* that, for purposes of this Agreement, the Company shall not be considered an Affiliate of any of Collectis and its Subsidiaries other than the Company, and each of Collectis and its Subsidiaries other than the Company shall not be considered an Affiliate of the Company. As used herein, “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. For purposes of this definition, “**controlling**,” “**controlled by**,” and “**under common control with**” have correlative meanings.

“**Agreement**” means this Separation Agreement, including all of the schedules hereto.

“**Ancillary Agreements**” means, collectively, the Shareholders Agreement, the Management Services Agreement, the License Agreement and other agreements related thereto.

“**Annual Financial Statements**” has the meaning set forth in Section 7.01(e).

“**Applicable Period**” has the meaning set forth in Section 7.02.

“**Business Day**” means any day other than a Saturday, Sunday or a day on which banking institutions are authorized or obligated by Law to be closed in New York, New York or Paris, France.

“**Collectis**” has the meaning set forth in the preamble hereto.

“**Collectis Accounts**” has the meaning set forth in Section 3.02(a).

“**Collectis Annual Statements**” has the meaning set forth in Section 7.01(e).

“**Collectis Auditors**” has the meaning set forth in Section 7.02(b).

“**Collectis Books and Records**” means originals or true and complete copies thereof, including electronic copies (if available) of (a) minute books, corporate charters and bylaws or comparable constitutive documents, records of share issuances and related corporate records, of the Collectis Group and (b) all books and records relating to (i) Collectis employees, (ii) the purchase of materials, supplies and services for the Collectis Business and (ii) dealings with customers of the Collectis Business.

“**Collectis Business**” means any business or operations of the Collectis Group (whether conducted independently or in association with one or more third parties through a partnership, joint venture or other contractual arrangement or mutual enterprise) other than the Company Business.

“**Collectis Group**” means Collectis and each other Person that either (x) is controlled directly or indirectly by Collectis immediately after the Effective Date or (y) becomes directly or indirectly controlled by Collectis following the Effective Date; *provided*, however, that neither the Company nor any other member of the Company Group shall be members of the Collectis Group.

“**Collectis Indemnitees**” has the meaning set forth in Section 4.03.

“**Collectis Public Filings**” has the meaning set forth in Section 7.01(l).

“**Commission**” means the U.S. Securities and Exchange Commission.

“**Common Stock**” means the common stock of the Company.

“**Company**” has the meaning set forth in the preamble hereto.

“**Company Accounts**” has the meaning set forth in Section 3.02(a).

“**Company Auditors**” has the meaning set forth in Section 7.02(a).

“**Company Books and Records**” means originals or true and complete copies thereof, including electronic copies (if available), of (a) all minute books, corporate charters and bylaws or comparable constitutive documents, records of share issuances and related corporate records of each member of the Company Group and (b) all books and records exclusively relating to (i) Company employees, (ii) the purchase of materials, supplies and services for the Company Business and (iii) dealings with customers of the Company Business.

“**Company Business**” means any business or operations of the Company Group (whether conducted independently or in association with one or more third party through a partnership, joint venture or other contractual arrangement or mutual enterprise), *provided* that the Company Business shall not include any Collectis Business.

“**Company Group**” means the Company and each other Person that either (x) is controlled directly or indirectly by the Company immediately as of the Effective Date or (y) becomes directly or indirectly controlled by the Company following the Effective Date.

“**Company Indemnitees**” has the meaning set forth in Section 4.04.

“**Company Public Documents**” has the meaning set forth in Section 7.01(h).

“**Consents**” means any consents, waivers or approvals from, or notification requirements to, any third parties.

“**Contract**” means any written or oral commitment, contract, subcontract, agreement, lease, sublease, license, understanding, sales order, purchase order, instrument, indenture, note or other commitment that is binding on any Person or any part of its property under applicable Law.

“**Coverage End Date**” has the meaning set forth in Section 3.05(a).

“**Covered Claims**” has the meaning set forth in Section 3.05(b).

“**Disclosing Party**” has the meaning set forth in Section 6.06(a).

“**Disclosure Documents**” means (i) any form, statement, schedule or other material filed with or furnished to the Commission, any other Governmental Authority or any securities exchange by or on behalf of any Party or any of its Affiliates, including the IPO Registration Statement, and (ii) any information statement, prospectus, offering memorandum, offering circular or similar disclosure document, free writing prospectus, roadshow, testing-the-waters materials and any schedule thereto or amendment thereof or document incorporated by reference therein, whether or not filed with or furnished to the Commission, any other Governmental Authority or any securities exchange by or on behalf of any Party or any of its Affiliates.

“**Effective Date**” means the date of the closing of the IPO.

“**Escalation Notice**” has the meaning set forth in Section 8.02(a).

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, together with the rules and regulations promulgated thereunder.

“**Financial Statements**” means the Annual Financial Statements and Quarterly Financial Statements collectively.

“**Governmental Authority**” means any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

“**Group**” means either the Company Group or the Collectis Group, as the context requires.

“**Guarantee**” has the meaning set forth in Section 3.04(a).

“**IFRS**” means the International Financial Reporting Standards issued by the International Accounting Standards Board and interpretations issued by the IFRS Interpretation Committee of the IASB and adopted by the Collectis Group.

“**Indemnifying Party**” has the meaning set forth in Section 4.05(a).

“**Indemnitee**” has the meaning set forth in Section 4.05(a).

“**Indemnity Payment**” has the meaning set forth in Section 4.05(a).

“**Information**” means information in written, oral, electronic or other tangible or intangible forms, stored in any medium, including without limitation studies, reports, records, books, Contracts, instruments, surveys, discoveries, ideas, concepts, know-how, techniques, designs, specifications, drawings, blueprints, diagrams, models, prototypes, samples, flow charts, data, computer data, disks, diskettes, tapes, computer programs or other software, marketing plans, customer names, communications by or to attorneys (including, subject to the limitations contemplated by this Agreement, attorney-client privileged communications), memoranda and other materials prepared by attorneys or under their direction (including, subject to the limitations contemplated by this Agreement, attorney work product), and other technical, financial, employee or business information or data.

“**Insurance Policies**” or “**Insurance Policy**” means insurance policies and insurance contracts of any kind, including primary, excess and umbrella, comprehensive general liability, directors and officers, automobile, products, workers’ compensation, employee dishonesty, property and crime insurance policies and self-insurance and captive insurance company arrangements, together with the rights, benefits and privileges thereunder.

“Insurance Proceeds” means those monies:

(a) received by an insured from a third party insurance carrier;

(b) paid by a third party insurance carrier on behalf of the insured; or

(c) received (including by way of setoff) from any third party in the nature of insurance, contribution or indemnification in respect of any Liability;

in each such case net of any applicable premium adjustments (including reserves and retrospectively rated premium adjustments) and net of any costs or expenses incurred in the collection thereof and excluding, for the avoidance of doubt, proceeds from any self-insurance, captive insurance or similar program.

“Intercompany Accounts” has the meaning set forth in Section 3.01(a).

“IPO” means the initial public offering of shares of Common Stock pursuant to the IPO Registration Statement.

“IPO Registration Statement” means the registration statement on Form S-1 (File No. 333-218924) filed under the Securities Act, pursuant to which issuances of the Common Stock in the IPO will be registered, together with all amendments thereto (including post-effective amendments and registration statements filed pursuant to Rule 462(b) under the Securities Act).

“Law” means any United States or non-United States federal, national, supranational, state, provincial, local or similar law (including common law), statute, ordinance, regulation, rule, code, order, treaty, license, permit, authorization, registration, approval, consent, decree, injunction, judgment, notice of liability, request for information, binding judicial or administrative interpretation or other requirement, in each case, enacted, promulgated, issued, entered or otherwise put into effect by a Governmental Authority.

“Liabilities” means any and all indebtedness, claims, debts, taxes, liabilities, demands, causes of action, and obligations, whether accrued, fixed or contingent, mature or inchoate, known or unknown, reflected on a balance sheet or otherwise, including, without limitation, those arising under any Law, Action or any judgment of any court of any kind or any award of any arbitrator of any kind, and those arising under any Contract, commitment or undertaking.

“License Agreement” means that certain license agreement by and between Collectis and the Company, dated as of the Effective Date.

“Losses” means any and all damages, losses, deficiencies, taxes, obligations, penalties, judgments, settlements, claims, payments, fines, charges, interest, costs and expenses, whether or not resulting from third party claims, including the costs and expenses of any and all Actions and demands, assessments, judgments, settlements and compromises relating thereto and the costs and expenses of attorneys’, accountants’, consultants’ and other professionals’ fees and expenses incurred in the investigation or defense thereof or the enforcement of rights hereunder.

“**Management Services Agreement**” means that certain Management Services Agreement, dated January 1, 2016, as amended from time to time, including pursuant to Amendment No. 1 thereto dated as of the Effective Date.

“**Party**” or “**Parties**” have the meanings set forth in the preamble hereto.

“**Person**” means an individual, a general or limited partnership, a corporation, a trust, a joint venture, an unincorporated organization, a limited liability entity, any other entity and any Governmental Authority.

“**Prime Rate**” means the Wall Street Journal Published Prime (if published in a range, the lowest number in the range will be used) in effect on the fourth (4th) Tuesday of the month prior to the beginning of each calendar quarter.

“**Privilege**” has the meaning set forth in Section 6.08(a).

“**Quarterly Financial Statements**” has the meaning set forth in Section 7.01(d).

“**Receiving Party**” has the meaning set forth in Section 6.06(a).

“**Securities Act**” means the Securities Act of 1933, as amended, together with the rules and regulations promulgated thereunder.

“**Shared Insurance Policies**” means Insurance Policies in existence prior to the Coverage End Date where both the Company Business and the Collectis Business are eligible for coverage and/or where the employees, directors or agents of both the Company Business and the Collectis Business are eligible for coverage.

“**Subsidiary**” means, when used with respect to any Person, (a) a corporation in which such Person or one or more Subsidiaries of such Person, directly or indirectly, owns capital stock having a majority of the total voting power in the election of directors of all outstanding shares of all classes and series of capital stock of such corporation entitled generally to vote in such election; and (b) any other Person (other than a corporation) in which such Person or one or more Subsidiaries of such Person, directly or indirectly, has (i) a majority ownership interest or (ii) the power to elect or direct the election of a majority of the members of the governing body of such first-named Person.

“**Surviving Contract**” has the meaning set forth in Section 3.01(b).

“**Third Party Claim**” has the meaning set forth in Section 4.06(a).

“**U.S. GAAP**” means accounting principles generally accepted in the United States of America, applied on a consistent basis.

ARTICLE 2

THE IPO AND ACTIONS PENDING THE IPO; OTHER TRANSACTIONS

Section 2.01. *The IPO*. The Company shall cooperate with, and take all actions reasonably requested by, Collectis in connection with the IPO. In furtherance thereof, to the extent not undertaken and completed prior to the execution of this Agreement:

(a) The Company shall file such amendments or supplements to the IPO Registration Statement as may be necessary in order to cause the same to remain effective as required by the underwriting agreement for the IPO. The Company shall also prepare, file with the Commission and cause to become effective any registration statements or amendments thereof that are required to reflect the establishment of, or amendments to, any employee benefit and other plans necessary or appropriate in connection with the IPO or the other transactions contemplated by this Agreement or the Ancillary Agreements.

(b) The Company shall use its best efforts to take all such action as may be necessary or appropriate under state securities and blue sky laws of the United States (and any comparable Laws under any foreign jurisdictions) in connection with the IPO; *provided that* the Company shall not be required to qualify as a foreign corporation in any state or jurisdiction or consent to service of process in any state or jurisdiction other than with respect to claims arising out of the IPO.

Section 2.02. *Termination of the IPO Process*. Notwithstanding anything to the contrary contained herein, prior to the Effective Date, as between the Company and Collectis, Collectis may in its sole discretion terminate or abandon the IPO or any aspect of the IPO and the other transactions contemplated hereby or by any Ancillary Agreement in connection with the IPO and the Company shall, subject to compliance with its obligations under the underwriting agreement for the IPO, take all actions directed by Collectis in that regard.

ARTICLE 3

THE SEPARATION

Section 3.01. *Termination of Agreements*. (a) Except as set forth in Section 3.01(b), in furtherance of the releases and other provisions of Section 4.01 hereof, the Company and each Person in the Company Group, on the one hand, and Collectis and each Person in the Collectis Group, on the other hand, hereby terminate any and all agreements, arrangements, commitments or understandings (including all intercompany accounts payable or accounts receivable between a member of the Collectis Group, on the one hand, and a member of the Company Group, on the other hand ("**Intercompany Accounts**") accrued as of the Effective Date), whether or not in writing, between or among the Company and any Person in the Company Group, on the one hand, and Collectis and any Person in the Collectis Group, on the other hand, effective as of the Effective Date. No such terminated agreement, arrangement, commitment, understanding or Intercompany Account (including any provision thereof which purports to survive termination) shall be of any further force or effect after the Effective Date. Each Party shall, at the reasonable request of any other Party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

(b) The provisions of Section 3.01(a) shall not apply to any of the following agreements, arrangements, commitments, understandings or Intercompany Accounts (or to any of the provisions thereof): (i) this Agreement; (ii) the Ancillary Agreements (and each other agreement or instrument expressly contemplated by this Agreement, or any Ancillary Agreement to be entered into by any of the Parties or any Person in their respective Groups); (iii) any agreements, arrangements, commitments or understandings set forth or described on Schedule 3.01(b)(iii); (iv) any agreements, arrangements, commitments or understandings to which any Person other than solely the Parties and their respective Affiliates is a party; and (v) any other agreements, arrangements, commitments, understandings or Intercompany Accounts that this Agreement or any Ancillary Agreement expressly contemplates will survive the Effective Date (collectively, the “**Surviving Contracts**”).

(c) Notwithstanding anything in this Agreement to the contrary, in the event the Parties agree in writing that an agreement, arrangement, commitment or understanding terminated pursuant to Section 3.01(a) should have remained in force or effect after the Effective Date, such agreement, arrangement, commitment or understanding shall pursuant to this Section 3.01(c) be deemed a Surviving Contract and each Party shall, at the reasonable request of any other Party, take, or cause to be taken, such other actions as may be necessary to effect the foregoing.

Section 3.02. *Bank Accounts; Cash Balances.* (a) Other than in respect of Surviving Contracts, to the extent not completed prior to the Effective Date, each of Collectis and the Company agree to take, or cause the respective members of their respective Groups to take, as soon as practicable after the Effective Date, all actions necessary to amend all Contracts governing each bank and brokerage account owned by the Company or any other member of the Company Group (collectively, the “**Company Accounts**”) so that such Company Accounts, if linked (whether by automatic withdrawal, automatic deposit or any other authorization to transfer funds from or to, hereinafter “**linked**”) to any bank or brokerage account owned by Collectis or any other member of the Collectis Group (collectively, the “**Collectis Accounts**”) are de-linked from the Collectis Accounts. The Company hereby agrees to repay promptly following the IPO all amounts outstanding in respect of the current account agreement signed between the Company and Collectis on March 7, 2011.

(b) It is intended that, following consummation of the actions contemplated by Section 3.02(a), the Company and Collectis will maintain separate bank accounts and separate cash management processes.

(c) With respect to any outstanding checks issued by Collectis, the Company, or any of their respective Subsidiaries prior to the Effective Date, such outstanding checks shall be honored following the Effective Date by the Person or Group owning the account on which the check is drawn.

(d) Other than in connection with the Surviving Contracts, as between Collectis and the Company (and the members of their respective Groups), all payments made and reimbursements received after the Effective Date by either Party (or member of its Group) that relate to a business, asset or Liability of the other Party (or member of its Group), shall be held by such Party in trust for the use and benefit of the Party entitled thereto and, promptly upon receipt by such Party of any such payment or reimbursement, such Party shall pay over, or shall cause the applicable member of its Group to pay over to the other Party the amount of such payment or reimbursement without right of set-off.

Section 3.03. *Other Ancillary Agreements.* Each of Collectis and the Company will execute and deliver, and cause each of their applicable Subsidiaries to execute and deliver, as applicable, all Ancillary Agreements to which it is a party, in each case to be effective as of the Effective Date.

Section 3.04. *Guarantees.* (a) Other than in respect of the agreement(s) listed in Schedule 3.04 hereto, Collectis and the Company shall each use their commercially reasonable efforts to cause a member of the Company Group to be substituted in all respects for all members of the Collectis Group, as applicable, and for the members of the Collectis Group, as applicable, to be otherwise removed or released, effective as of the Effective Date, in respect of all obligations of any member of the Company Group under each guarantee, indemnity, surety bond, letter of credit and letter of comfort (each, a “**Guarantee**”), given or obtained by any member of the Collectis Group for the benefit of any member of the Company Group or the Company Business. If Collectis and the Company have been unable to effect any such substitution, removal, release and termination with respect to any such Guarantee as of the Effective Date then, following the Effective Date, the Company shall effect such substitution, removal, release and termination as soon as reasonably practicable after the Effective Date; provided that from and after the Effective Date, the Company shall indemnify against, hold harmless and promptly reimburse the members of the Collectis Group for any payments made by members of the Collectis Group and for any and all Liabilities of the members of the Collectis Group arising out of, or in performing, in whole or in part, any performance obligation in accordance with the underlying obligation under any such Guarantee (except to the extent the performance obligation under any such Guarantee shall have been triggered solely by an act or failure to act of the applicable guarantor (rather than the underlying obligor)).

(b) Collectis and the Company shall each use their commercially reasonable efforts to cause a member of the Collectis Group to be substituted in all respects for all members of the Company Group, as applicable, and for the members of the Company Group, as applicable, to be otherwise removed or released, effective as of the Effective Date, in respect of all obligations of any member of the Collectis Group under each Guarantee, given or obtained by any member of the Company Group for the benefit of any member of the Collectis Group or the Collectis Business. If Collectis and the Company have been unable to effect any such substitution, removal, release and termination with respect to any such Guarantee as of the Effective Date then, following the Effective Date, Collectis shall effect such substitution, removal, release and termination as soon as reasonably practicable after the Effective Date; provided that from

and after the Effective Date, Collectis shall indemnify against, hold harmless and promptly reimburse the members of the Company Group for any payments made by members of the Company Group and for any and all Liabilities of the members of the Company Group arising out of, or in performing, in whole or in part, any performance obligation in accordance with the underlying obligation under any such Guarantee (except to the extent the performance obligation under any such Guarantee shall have been triggered solely by an act or failure to act of the applicable guarantor (rather than the underlying obligor)).

Section 3.05. *Insurance Policies*

(a) As of the date at which Collectis and its Affiliates cease to hold in excess of 50% of the outstanding shares of Common Stock, or at any time before Collectis and its Affiliates cease to hold in excess of 50% of the outstanding shares of Common Stock, at Collectis' request (the "**Coverage End Date**"), the coverage under all Shared Insurance Policies shall continue in force only for the benefit of Collectis and other members of the Collectis Group and not for the benefit of the Company or any other member of the Company Group. Effective from and after the Coverage End Date, the Company shall arrange for its own Insurance Policies with respect to the Company Business covering all periods (whether prior to or following the Coverage End Date) and agrees not to seek, through any means, benefit from any of Collectis' or its Affiliates' Insurance Policies that may provide coverage for claims relating in any way to the Company Business following the Coverage End Date.

(b) Where Shared Insurance Policies with an unaffiliated third party insurer (and excluding, for the avoidance of doubt, any self-insurance, captive insurance or similar program) cover Company Liabilities reported after the Coverage End Date but are with respect to an occurrence prior to the Coverage End Date, under an occurrence-based Shared Insurance Policy (collectively, "**Covered Claims**"), then the members of the Company Group may notify Collectis of such claim and Collectis shall seek coverage for such Covered Claims under such Shared Insurance Policies, control the prosecution and defense of such Covered Claims and forward any insurance recoverables with respect thereto, without any prejudice or limitation to Collectis seeking insurance under the Shared Insurance Policies for its own claims. After the Coverage End Date, Collectis shall procure and administer the Shared Insurance Policies, provided that such administration shall in no way limit, inhibit or preclude the right of the members of the Company Group to insurance coverage thereunder in accordance with this Section 3.05(b), in each case, with respect to Covered Claims. The Company shall promptly notify Collectis of any Covered Claims, and Collectis agrees to reasonably cooperate with the Company concerning the pursuit by the Company of any such Covered Claim, in each case at the expense of the Company (to the extent such expenses are not covered by the applicable Shared Insurance Policies).

(c) The Company shall be responsible for complying with terms of the Shared Insurance Policies to obtain coverage for such Covered Claims, including if the Shared Insurance Policy requires any payments to be made in connection therewith (including self-insured retentions or deductibles), and the Company shall make any such required

payments and maintain any required or appropriate accruals or reserves for such Covered Claims. Any proceeds received by Collectis from any insurance carrier that relate to Covered Claims shall be paid promptly to the Company. In the event that Covered Claims relate to the same occurrence for which Collectis is seeking coverage under such Shared Insurance Policies and for which the Parties have a shared defense, the Company and Collectis shall jointly defend any such claim and waive any conflict of interest necessary to conduct a joint defense, and shall bear any expenses in connection therewith on a pro rata basis in proportion to the assessed value of the claim or claims against such Party (to the extent such expenses are not covered by the applicable Shared Insurance Policies), including self-insured retentions or deductibles. In the event that policy limits under an applicable Shared Insurance Policy are not sufficient to fund all claims of Collectis and members of the Collectis Group and the Company and members of the Company Group, any amounts simultaneously due shall be paid to the respective entities in proportion to the assessed value of each respective entity's claim or claims.

Section 3.06. *Coverage End Date Determination.* Collectis shall use commercially reasonable efforts to provide written confirmation informing the Company that the Coverage End Date has occurred. Collectis shall use commercially reasonable efforts to provide such written confirmation promptly, but in any case within five Business Days after the Coverage End Date.

ARTICLE 4
MUTUAL RELEASES; INDEMNIFICATION; COOPERATION

Section 4.01. *Release of Pre-Effective Date Claims.* (a) Except as provided in Section 4.01(c) and Section 4.04, effective as of the Effective Date, the Company does hereby, for itself and for each Person in the Company Group as of the Effective Date and their respective successors and assigns and all Persons who at any time prior to the Effective Date, have been directors, officers, agents or employees of any Person in the Company Group (in each case, in their respective capacities as such), remise, release and forever discharge Collectis and each Person in the Collectis Group, and all Persons who at any time prior to the Effective Date have been stockholders, directors, officers, managers, members, agents or employees of any Person in the Collectis Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators, successors and assigns, from any and all Liabilities whatsoever between or among the Company or any Person in the Company Group, on the one hand, and Collectis or any Person in the Collectis Group, on the other hand, whether at law or in equity (including any rights of contribution or recovery), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed in each case on or before the Effective Date.

(b) Except as provided in Section 4.01(c) and Section 4.03, effective as of the Effective Date, Collectis does hereby, for itself and for each Person in the Collectis Group as of the Effective Date and their respective successors and assigns and all Persons who at any time prior to the Effective Date, have been directors, officers, agents or employees

of any Person in the Collectis Group (in each case, in their respective capacities as such), remise, release and forever discharge the Company and each Person in the Company Group, and all Persons who at any time prior to the Effective Date have been stockholders, directors, officers, managers, members, agents or employees of any Person in the Company Group (in each case, in their respective capacities as such), and their respective heirs, executors, administrators successors and assigns, from any and all Liabilities whatsoever between or among the Company or any Person in the Company Group, on the one hand, and Collectis or any Person in the Collectis Group, on the other hand, whether at law or in equity (including any rights of contribution or recovery), whether arising under any Contract, by operation of Law or otherwise, existing or arising from any acts or events occurring or failing to occur or alleged to have occurred or to have failed to occur or any conditions existing or alleged to have existed in each case on or before the Effective Date.

(c) Nothing contained in Section 4.01(a) or (b) shall (x) impair any right of any Person to enforce any Surviving Contract in accordance with its terms or (y) release any Person from:

(i) any Liability provided in or resulting from any Surviving Contract;

(ii) any Liability assumed or retained by, or transferred, assigned or allocated to the Group of which such Person is a member in accordance with, or any other Liability of any Person in any Group under, this Agreement or any Ancillary Agreement;

(iii) any Liability provided in or resulting from any Contract or understanding that is entered into after the Effective Date between a member of the Collectis Group, on the one hand, and a member of the Company Group, on the other hand;

(iv) any Liability that the Parties may have with respect to claim for indemnification, recovery or contribution brought pursuant to this Agreement or any Ancillary Agreement, which Liability shall be governed by the provisions of this Article 4 or, if applicable, the appropriate provisions of the Ancillary Agreements; or

(v) any Liability the release of which would result in the release of any Person other than a Person released pursuant to this Section 4.01.

In addition, nothing contained in Section 4.01(a) shall release Collectis from indemnifying any director, officer or employee of the Company who was a director, officer or employee of Collectis or any of its Affiliates on or prior to the Effective Date, to the extent such director, officer or employee is or becomes a named defendant in any Action with respect to which he or she was entitled to such indemnification pursuant to obligations existing prior to the Effective Date, it being understood that if the underlying obligation giving rise to such Action is a Liability of the Company, the Company shall indemnify Collectis for such Liability (including Collectis' costs to indemnify the director, officer or employee) in accordance with the provisions set forth in this Article 4.

(d) The Company shall not make, and shall not permit any Person in the Company Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution, recovery or any indemnification, against Collectis or any Person in the Collectis Group, or any other Person released pursuant to Section 4.01(a), with respect to any Liabilities released pursuant to Section 4.01(a). Collectis shall not make, and shall not permit any Person in the Collectis Group to make, any claim or demand, or commence any Action asserting any claim or demand, including any claim of contribution, recovery or any indemnification against the Company or any Person in the Company Group, or any other Person released pursuant to Section 4.01(b), with respect to any Liabilities released pursuant to Section 4.01(b).

(e) It is the intent of each of Collectis and the Company, by virtue of the provisions of this Section 4.01, to provide for a full and complete release and discharge of all Liabilities existing or arising from all acts and events occurring or failing to occur or alleged to have occurred or to have failed to occur and all conditions existing or alleged to have existed in each case on or before the Effective Date, between or among the Company or any Person in the Company Group, on the one hand, and Collectis or any Person in the Collectis Group, on the other hand (including any contractual agreements or arrangements existing or alleged to exist between or among any such Persons on or before the Effective Date), except as expressly set forth in Section 4.01(c). At any time, at the request of the other Party, each Party shall cause each Person in its respective Group and to the extent practicable each other Person to execute and deliver releases reflecting the provisions hereof.

(f) If any Person associated with either Collectis or the Company (including any of their respective directors, officers, agents or employees) initiates an Action with respect to claims released by this Section 4.01, the Party with which such Person is associated shall indemnify the other Party against such Action in accordance with the provisions set forth in this Article 4.

Section 4.02. *Pending, Threatened and Unasserted Claims.* The Company shall assume liability for all claims, including pending, threatened and unasserted claims, relating to actions or omissions relating to the Company Business and Collectis shall assume liability for all pending, threatened and unasserted claims relating to actions or omissions relating to the Collectis Business. In the event of any third-party claims that name both Parties as defendants, each Party will cooperate with the other Party to defend against such claims.

Section 4.03. *Indemnification by the Company.* Except as provided in Section 4.05, the Company shall indemnify, defend and hold harmless each member of the Collectis Group and each of their Affiliates and each member of the Collectis Group's and their respective Affiliates' directors, officers, employees and agents, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "**Collectis Indemnitees**"), from and against any and all Losses of the Collectis Indemnitees relating to, arising out of or resulting from (without duplication and including any such Losses arising by way of setoff, counterclaim or defense or enforcement of any lien):

(a) (x) any untrue statement or alleged untrue statement of a material fact contained in any Disclosure Document of any member of the Company Group or any omission or alleged omission to state a material fact in any such Disclosure Document required to be stated therein or necessary to make the statements therein not misleading, except insofar as any such Losses are caused by any untrue statement or alleged untrue statement of a material fact in such Disclosure Document or any omission or alleged omission to state a material fact in such Disclosure Document required to be stated therein or necessary to make the statements therein not misleading based upon information relating to Collectis furnished to the Company in writing by Collectis expressly for use therein, and (y) any untrue statement or alleged untrue statement of a material fact contained in any Disclosure Document of any member of the Collectis Group or any omission or alleged omission to state a material fact in any such Disclosure Document required to be stated therein or necessary to make the statements therein not misleading that is based upon information relating to the Company furnished to Collectis in writing by the Company expressly for use in such Disclosure Document;

(b) the Company Business, including the failure of the Company or any other member of the Company Group to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the Company Business in accordance with its terms, whether prior to or after the Effective Date or the date hereof; and

(c) any breach by the Company or any Person in the Company Group of this Agreement or any Ancillary Agreement, unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case, any such indemnification claims with respect to a breach thereunder shall be made thereunder.

Section 4.04. *Indemnification by Collectis.* Except as provided in Section 4.05, Collectis shall indemnify, defend and hold harmless each member of the Company Group and each of their Affiliates and each member of the Company Group's and their respective Affiliates' directors, officers, employees and agents, and each of the heirs, executors, successors and assigns of any of the foregoing (collectively, the "**Company Indemnitees**"), from and against any and all Losses of the Company Indemnitees relating to, arising out of or resulting from (without duplication and including any such Losses arising by way of setoff, counterclaim or defense or enforcement of any lien):

(a) any untrue statement or alleged untrue statement of a material fact contained in any Disclosure Document of any member of the Company Group or any omission or alleged omission to state a material fact in any such Disclosure Document required to be stated therein or necessary to make the statements therein not misleading that is based upon information relating to Collectis furnished to the Company in writing by Collectis expressly for use in such Disclosure Document;

(b) the Collectis Business, including the failure of Collectis or any other member of the Collectis Group to pay, perform or otherwise promptly discharge any Liability relating to, arising out of or resulting from the Collectis Business in accordance with its terms, whether prior to or after the Effective Date or the date hereof; and

(c) any breach by Collectis or any Person in the Collectis Group of this Agreement or any Ancillary Agreement, unless such Ancillary Agreement expressly provides for separate indemnification therein, in which case, any such indemnification claims with respect to a breach thereunder shall be made thereunder.

Section 4.05. *Indemnification Obligations Net of Insurance Proceeds and Other Amounts.* (a) The Parties intend that any Loss subject to indemnification or reimbursement pursuant to this Article 4 will be net of Insurance Proceeds that actually reduce the amount of the Loss. Accordingly, the amount which any Party (an “**Indemnifying Party**”) is required to pay to any Person entitled to indemnification hereunder (an “**Indemnitee**”) will be reduced by any Insurance Proceeds theretofore actually recovered by or on behalf of the Indemnitee in respect of the related Loss. If an Indemnitee receives a payment (an “**Indemnity Payment**”) required by this Agreement from an Indemnifying Party in respect of any Loss and subsequently receives Insurance Proceeds, then the Indemnitee will pay to the Indemnifying Party an amount equal to the excess of the Indemnity Payment received over the amount of the Indemnity Payment that would have been due if the Insurance Proceeds had been received, realized or recovered before the Indemnity Payment was made.

(b) An insurer that would otherwise be obligated to pay any claim shall not be relieved of the responsibility with respect thereto or, solely by virtue of the indemnification provisions hereof, have any subrogation rights with respect thereto, it being expressly understood and agreed that no insurer or any other third party shall be entitled to a “wind-fall” (i.e., a benefit such insurer or other third party would not be entitled to receive in the absence of the indemnification provisions) by virtue of the indemnification provisions hereof. Nothing contained in this Agreement or any Ancillary Agreement shall obligate any Person in any Group to seek to collect or recover any Insurance Proceeds.

(c) Any Indemnity Payment made by the Company shall be (i) increased as necessary so that after making all payments in respect to taxes imposed on or attributable to such Indemnity Payment, each Collectis Indemnitee receives a net amount equal to the sum it would have received had no such taxes been imposed and (ii) reduced to take account of any net tax benefit actually realized by an Collectis Indemnitee arising from the incurrence or payment of the Loss to which the Indemnity Payment relates. Any Indemnity Payment made by Collectis shall be (i) increased as necessary so that after making all payments in respect to taxes imposed on or attributable to such Indemnity Payment, each Company Indemnitee receives a net amount equal to the sum it would have received had no such taxes been imposed and (ii) reduced to take account of any net tax benefit actually realized by a Company Indemnitee arising from the incurrence or payment of the Loss to which the Indemnity Payment relates.

(d) If an indemnification claim is covered by the indemnification provisions of an Ancillary Agreement, the claim shall be made under the Ancillary Agreement to the extent applicable and the provisions thereof shall govern such claim. In no event shall any Party be entitled to double recovery from the indemnification provisions of this Agreement and any Ancillary Agreement.

Section 4.06. *Procedures for Indemnification of Third Party Claims.* (a) If an Indemnitee shall receive notice or otherwise learn of the assertion by a Person (including any Governmental Authority) who is not a Person in the Collectis Group or the Company Group of any claim or of the commencement by any such Person of any Action with respect to which an Indemnifying Party may be obligated to provide indemnification to such Indemnitee pursuant to Section 4.03 or Section 4.04, or any other Section of this Agreement (collectively, a “**Third Party Claim**”), such Indemnitee shall give such Indemnifying Party written notice thereof as promptly as practicable (and in any event within 45 days) after becoming aware of such Third Party Claim. Any such notice shall describe the Third Party Claim in reasonable detail. Notwithstanding the foregoing, the failure of any Indemnitee or other Person to give notice as provided in this Section 4.06(a) shall not relieve the related Indemnifying Party of its obligations under this Article 4, except to the extent, and only to the extent, that such Indemnifying Party is materially prejudiced by such failure to give notice.

(b) An Indemnifying Party may elect (but shall not be required) to defend, at such Indemnifying Party’s own expense and by such Indemnifying Party’s own counsel (which counsel shall be reasonably satisfactory to the Indemnitee), any Third Party Claim; provided that the Indemnifying Party shall not be entitled to defend and shall pay the reasonable fees and expenses of one separate counsel for all Indemnitees if the claim for indemnification relates to or arises in connection with any criminal action, indictment or allegation. Within 45 days after the receipt of notice from an Indemnitee in accordance with Section 4.06(a) (or sooner, if the nature of such Third Party Claim so requires), the Indemnifying Party shall notify the Indemnitee of its election whether the Indemnifying Party will assume responsibility for defending such Third Party Claim, which election shall specify any reservations or exceptions to its defense. After notice from an Indemnifying Party to an Indemnitee of its election to assume the defense of a Third Party Claim, such Indemnitee shall have the right to employ separate counsel and to participate in (but not control) the defense, compromise, or settlement thereof, but the fees and expenses of such counsel shall be the expense of such Indemnitee; provided, however, in the event that (i) the Indemnifying Party has elected to assume the defense of the Third Party Claim but has specified, and continues to assert, any reservations or exceptions in such notice or (ii) the Third Party Claim involves injunctive or equitable relief, then, in any such case, the reasonable fees and expenses of one separate counsel for all Indemnitees shall be borne by the Indemnifying Party.

(c) If an Indemnifying Party elects not to assume responsibility for defending a Third Party Claim, or fails to notify an Indemnitee of its election as provided in Section 4.06(b), such Indemnitee may defend such Third Party Claim at the cost and expense of the Indemnifying Party. Any legal fees and expenses actually incurred by the Indemnitee in connection with defending such claim shall be paid by the Indemnifying Party.

(d) Unless the Indemnifying Party has failed to assume the defense of the Third Party Claim in accordance with the terms of this Agreement, no Indemnitee may settle or compromise any Third Party Claim without the consent of the Indemnifying Party. If an Indemnifying Party has failed to assume the defense of the Third Party Claim within the time period specified in clause (b) above, it shall not be a defense to any obligation to pay any amount in respect of such Third Party Claim that the Indemnifying Party was not consulted in the defense thereof, that such Indemnifying Party's views or opinions as to the conduct of such defense were not accepted or adopted, that such Indemnifying Party does not approve of the quality or manner of the defense thereof or that such Third Party Claim was incurred by reason of a settlement rather than by a judgment or other determination of liability.

(e) In the case of a Third Party Claim, no Indemnifying Party shall consent to entry of any judgment or enter into any settlement of the Third Party Claim without the consent of the Indemnitee if the effect thereof is (i) to permit any injunction, declaratory judgment, other order or other non-monetary relief to be entered, directly or indirectly, against any Indemnitee or (ii) to ascribe any fault on any Indemnitee in connection with such defense.

(f) Notwithstanding the foregoing, the Indemnifying Party shall not, without the prior written consent of the Indemnitee, settle or compromise any Third Party Claim or consent to the entry of any judgment which does not include as an unconditional term thereof the delivery by the claimant or plaintiff to the Indemnitee of a written release from all Liability in respect of such Third Party Claim.

Section 4.07. *Additional Matters.* (a) Any claim on account of a Loss which does not result from a Third Party Claim shall be asserted by written notice given by the Indemnitee to the related Indemnifying Party. Such Indemnifying Party shall have a period of 30 days after the receipt of such notice within which to respond thereto. If such Indemnifying Party does not respond within such 30-day period, such Indemnifying Party shall be deemed to have refused to accept responsibility to make payment. If such Indemnifying Party does not respond within such 30-day period or rejects such claim in whole or in part, such Indemnitee shall be free to pursue such remedies as may be available to such Indemnitee as contemplated by this Agreement and the Ancillary Agreements.

(b) In the event of payment by or on behalf of any Indemnifying Party to any Indemnitee in connection with any Third Party Claim, such Indemnifying Party shall be subrogated to and shall stand in the place of such Indemnitee as to any events or circumstances in respect of which such Indemnitee may have any right, defense or claim relating to such Third Party Claim against any claimant or plaintiff asserting such Third Party Claim or against any other Person. Such Indemnitee shall cooperate with such Indemnifying Party in a reasonable manner, and at the cost and expense of such Indemnifying Party, in prosecuting any subrogated right, defense or claim.

(c) In the event of an Action in which the Indemnifying Party is not a named defendant, if either the Indemnitee or Indemnifying Party shall so request, the Parties shall endeavor to substitute the Indemnifying Party for the named defendant or otherwise hold the Indemnifying Party as party thereto, if at all practicable. If such substitution or addition cannot be achieved for any reason or is not requested, the named defendant shall allow the Indemnifying Party to manage the Action as set forth in this Section, and the Indemnifying Party shall fully indemnify the named defendant against all costs of defending the Action (including court costs, sanctions imposed by a court, attorneys' fees, experts fees and all other external expenses), the costs of any judgment or settlement, and the cost of any interest or penalties relating to any judgment or settlement with respect to such Third Party Claim.

Section 4.08. *Remedies Cumulative.* The remedies provided in this Article 4 shall be cumulative and, subject to the provisions of Article 6, shall not preclude assertion by any Indemnitee of any other rights or the seeking of any and all other remedies against any Indemnifying Party.

Section 4.09. *Survival of Indemnities.* The indemnity agreements contained in this Article 4 shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Indemnitee; and (ii) the knowledge by the Indemnitee of Liabilities for which it might be entitled to indemnification hereunder. The rights and obligations of each of Collectis and the Company and their respective Indemnitees under this Article 4 shall survive the merger or consolidation of any Party, the sale or other transfer by any Party of any assets or businesses or the assignment by it of any Liabilities, or the change of form or change of control or corporate reorganization of any Party.

Section 4.10. *Special Damages.* NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT OR ANY ANCILLARY AGREEMENT TO THE CONTRARY, IN NO EVENT WILL EITHER PARTY OR ANY OF ITS GROUP MEMBERS BE LIABLE FOR ANY SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS SUFFERED BY AN INDEMNITEE, HOWEVER CAUSED AND ON ANY THEORY OF LIABILITY, IN CONNECTION WITH ANY DAMAGES ARISING HEREUNDER OR THEREUNDER (INCLUDING IN RESPECT OF ANY LOSS IN THE VALUE OF COMMON STOCK); PROVIDED, HOWEVER, THAT TO THE EXTENT AN INDEMNIFIED PARTY IS REQUIRED TO PAY ANY SPECIAL, INCIDENTAL, INDIRECT, COLLATERAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR LOST PROFITS TO A PERSON WHO IS NOT A MEMBER OF EITHER GROUP IN CONNECTION WITH A THIRD PARTY CLAIM, SUCH DAMAGES WILL CONSTITUTE DIRECT DAMAGES AND NOT BE SUBJECT TO THE LIMITATION SET FORTH IN THIS SECTION 4.10.

ARTICLE 5 CERTAIN BUSINESS MATTERS

Section 5.01. *No Restriction on Competition.* It is the explicit intent of each of the Parties hereto that the provisions of this Agreement shall not include any non-competition or other similar restrictive arrangements with respect to the range of business

activities which may be conducted by the Parties. Accordingly, each of the Parties acknowledges and agrees that nothing set forth in this Agreement shall be construed to create any explicit or implied restriction or other limitation on (i) the ability of any Party to engage in any business or other activity which competes with the business of any other Party or (ii) the ability of any Party to engage in any specific line of business or engage in any business activity in any specific geographic area.

ARTICLE 6
EXCHANGE OF INFORMATION; CONFIDENTIALITY

Section 6.01. *Agreement for Exchange of Information; Archives.* (a) Each of Collectis and the Company, on behalf of its respective Group, agrees to provide, or cause to be provided, to the other Group, at any time before or after the Effective Date, as soon as reasonably practicable after written request therefor, access to any Information in the possession or under the control of such respective Group that can be retrieved without unreasonable disruption to its business which the requesting Party reasonably needs (i) to comply with reporting, disclosure, filing, record retention or other requirements imposed on the requesting Party (including under applicable securities or tax Laws) by a Governmental Authority having jurisdiction over the requesting Party, (ii) for use in any other judicial, regulatory, administrative, tax or other proceeding or in order to satisfy audit, accounting, regulatory, litigation, environmental, tax or other similar requirements, in each case other than claims or allegations that one Party to this Agreement or any member of its Group has against the other Party or any member of its Group, or (iii) subject to the foregoing clause (i), to comply with its obligations under this Agreement.

(b) After the Effective Date, each of the Collectis Group on the one hand, and the Company Group on the other hand, shall provide to such other Group access during regular business hours (as in effect from time to time) to Information that relates to (i) the business and operations of such other Group, or (ii) the intellectual property covered by the License Agreement, in each case that are located in archives retained or maintained by such other Group (or, if such Information does not exclusively relate to a Party's business, to the portions of such Information that so exclusively relate), subject to the requirements of any applicable state and/or federal regulation such as a Code of Conduct or Standard of Conduct, to the personnel, properties and information of such Party and its Subsidiaries, and only insofar as such access is reasonably required by the other Party for legitimate business reasons, and only for the duration such access is required, and relates to such other Party or the conduct of the business prior to the Effective Date. The Company or Collectis, as applicable, may obtain copies (but not originals) at their own expense of such Information for bona fide business purposes.

(c) After the Effective Date, each of Collectis and the Company shall provide, or cause to be provided, to the other Party (in such form as the providing Party retains such Information for its own use) all financial and other data and Information in such Party's possession or control as such requesting Party determines necessary or advisable in order to prepare its financial statements and reports or filings with any Governmental Authority.

(d) After the Effective Date, upon reasonable written notice, the Parties shall furnish or cause to be furnished to each other and their employees, counsel, auditors and representatives reasonable access, during normal business hours, to such Information and reasonable assistance as is required by applicable Law, including Section 404 of the Sarbanes-Oxley Act of 2002, or is reasonably necessary for financial reporting and accounting matters (including with respect to the preparation of any financial statements), letters of representation, reports or forms, the preparation and filing of any tax returns or the defense of any tax claim or assessment. In the event any Party reasonably determines that any such provision of Information could be commercially detrimental, violate any Law or Contract, or result in the waiver any Privilege, the Parties shall take all commercially reasonable measures to permit the compliance with such obligations in a manner that avoids any such harm or consequence, and shall thereafter be deemed to have complied with such obligation.

Section 6.02. *Ownership of Information.* Any Information owned by one Group that is provided to a requesting Party pursuant to Section 6.01 shall be deemed to remain the property of the providing Party. Unless expressly set forth in this Agreement, nothing contained in this Agreement shall be construed as granting or conferring any right, title or interest (whether by license or otherwise) in, to or under any such Information.

Section 6.03. *Record Retention.* To facilitate the possible exchange of Information pursuant to this Article 6 and other provisions of this Agreement after the Effective Date, the Parties agree to use their commercially reasonable efforts to retain all Information in their respective possession or control on the Effective Date in accordance with the policies of Collectis as in effect from time to time or such other policies as may be reasonably adopted by the appropriate Party after the Effective Date. For the avoidance of doubt, such policies shall be deemed to apply to any Information in a Party's possession or control on the Effective Date relating to the other Party or members of its Group.

Section 6.04. *Limitations of Liability.* Except as otherwise provided in this Article 6, no Party shall have any liability to any other Party in the event that any Information exchanged or provided pursuant to this Agreement is found to be inaccurate or the requested Information is not provided, in the absence of willful misconduct by the Party requested to provide such Information. No Party shall have any liability to any other Party if any Information is destroyed after commercially reasonable efforts by such Party to comply with the provisions of Section 6.03.

Section 6.05. *Production of Witnesses; Records; Cooperation.* (a) After the Effective Date, except in the case of any Action involving or relating to a conflict or dispute between any member of the Collectis Group, on the one hand, and any member of the Company Group, on the other hand, each Party hereto will use its commercially reasonable efforts to make available to each other Party, upon written request, the then current directors, officers, employees, other personnel and agents of the Person in its respective Group as witnesses and any books, records or other documents within its control or which it otherwise has the ability to make available, to the extent that any such Person (giving consideration to business demands of such directors, officers, employees,

other personnel and agents) or books, records or other documents may reasonably be required in connection with any Action in which indemnification is or may reasonably be expected to be sought that the requesting Party may from time to time be involved. The requesting Party shall bear all costs and expenses in connection therewith.

(b) If an Indemnifying Party or Indemnitee chooses to defend or to seek to compromise or settle any Third Party Claim, the other Party shall make available to such Indemnifying Party or Indemnitee, as applicable, upon written request then current directors, officers, employees, other personnel and agents of the Persons in its respective Group as witnesses and any Information within its control or possession, to the extent that any such Person (giving consideration to business demands of such directors, officers, employees, other personnel and agents) or books, records or other documents may reasonably be required in connection with such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be, and shall otherwise reasonably cooperate in such defense, settlement or compromise, or such prosecution, evaluation or pursuit, as the case may be.

(c) Without limiting the foregoing, the Parties shall cooperate and consult to the extent reasonably necessary with respect to any Actions in which indemnification is or may reasonably be expected to be sought.

(d) The obligation of the Parties to provide witnesses pursuant to this Section 6.05 is intended to be interpreted in a manner so as to facilitate cooperation and shall include the obligation to provide as witnesses employees and other officers without regard to whether the witness or the employer of the witness could assert a possible business conflict (subject to the exception set forth in the first sentence of Section 6.05(a)).

(e) In connection with any matter contemplated by this Section 6.05 the Parties will enter into a mutually acceptable joint defense agreement so as to maintain to the extent practicable any applicable attorney-client privilege or work product immunity of any Person in any Group.

Section 6.06. *Confidentiality.* (a) Subject to Section 6.07, each of Collectis and the Company (each, a “**Receiving Party**”), on behalf of itself and each Person in its respective Group, agree to hold, and to cause its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives to hold in strict confidence, with at least the same degree of care that applies to the confidential and proprietary information of Collectis pursuant to policies in effect as of the Effective Date, all Information with respect to Collectis, solely concerning the Company Business (for which the Company shall be the “**Disclosing Party**”) and with respect to the Company, concerning the Collectis Business (for which Collectis shall be the “**Disclosing Party**”) that is accessible to it, in its possession (including Information in its possession prior to the Effective Date) or furnished by the Disclosing Party or any Person in its respective Group, or accessible to, in the possession of, or furnished to the Company’s respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives at any time pursuant to this Agreement or otherwise, except, in each case,

to the extent that such Information (i) is or becomes part of the public domain through no breach of this Agreement by the Receiving Party or any of its Group, its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives, (ii) information that was independently developed following the Effective Date by employees or agents of the Receiving Party or any Person in its respective Group, its respective directors, officers, employees, agents, accountants, counsel and other advisors and representatives who have not accessed or otherwise received the applicable Information; provided that such independent development can be demonstrated by competent, contemporaneous written records of the Receiving Party or any Person in its respective Group, or (iii) becomes available to the Receiving Party or any Person in its respective Group following the Effective Date on a non-confidential basis from a third party who is not bound directly or indirectly by a duty of confidentiality to the Disclosing Party.

(b) Each Party acknowledges that it and the other members of the other Party Group may have in their possession confidential or proprietary Information of third parties that was received under confidentiality or non-disclosure agreements with such third party prior to the Effective Date. Such Party will hold, and will cause the other members of its Group and their respective directors, officers, employees, agents, accountants, counsel, consultants and other advisors and representatives to hold, in strict confidence the confidential and proprietary information of third parties to which they or any other member of their respective Groups has access, in accordance with the terms of any agreements entered into prior to the Effective Date between one or more members of such Party's Group (whether acting through, on behalf of, or connection with, the separated businesses) and such third parties.

(c) Upon the written request of a Party, the other Party shall promptly destroy any copies of such confidential or proprietary Information (including any extracts therefrom) specifically identified by the requesting Party to be destroyed, except to the extent required by Collectis policies (in the case of Collectis holding more than 50% of the outstanding Common Stock of the Company) or prohibited by applicable Law. Upon the written request of such requesting Party, the other Party shall cause one of its duly authorized officers to certify in writing to such requesting Party that the requirements of the preceding sentence have been satisfied in full.

(d) Notwithstanding anything to the contrary in this Article 6, (i) to the extent that an Ancillary Agreement or other Contract pursuant to which a Party or a Person in its respective Group is bound or its confidential Information is subject provides that certain Information shall be maintained confidential on a basis that is more protective of such Information or for a longer period of time than provided for herein, then the applicable provisions contained in such Ancillary Agreement or other Contract shall control with respect thereto and (ii) a Party and the Persons in its respective Group shall have no right to use any Information of the Disclosing Party unless otherwise provided for in this Agreement, an Ancillary Agreement or Contract between the Parties or a Person in its respective Group.

Section 6.07. *Protective Arrangements.* In the event that the Receiving Party or any Person in its Group either determines on the advice of its counsel that it is required to disclose any Information pursuant to applicable Law (including the rules and regulations of the Commission or any national securities exchange) or receives any request or demand from any Governmental Authority to disclose or provide Information of the Disclosing Party (or any Person in the Disclosing Party's Group) that is subject to the confidentiality provisions hereof, such Party shall notify the other Party prior to disclosing or providing such Information and shall cooperate at the expense of such other Party in seeking any reasonable protective arrangements (including by seeking confidential treatment of such Information) requested by such other Party. Subject to the foregoing, the Person that received such a request or determined that it is required to disclose Information may thereafter disclose or provide Information to the extent required by such Law (as so advised by counsel) or requested or required by such Governmental Authority; provided, however, that such Person provides the other Party, to the extent legally permissible, upon request with a copy of the Information so disclosed.

Section 6.08. *Preservation of Legal Privileges.* (a) Collectis and the Company recognize that the members of their respective Groups possess and will possess information and advice that has been previously developed but is legally protected from disclosure under legal privileges, such as the attorney-client privilege or work product exemption and other concepts of legal protection ("**Privilege**"). Each Party recognizes that they shall be jointly entitled to the Privilege with respect to such privileged information and that each shall be entitled to maintain, preserve and assert for its own benefit all such information and advice, but both Parties shall ensure that such information is maintained so as to protect the Privileges with respect to the other Party's interest. To that end, neither Party will knowingly waive or compromise any Privilege associated with such information and advice without the prior written consent of the other Party. In the event that privileged information is required to be disclosed to any arbitrator or mediator in connection with a dispute between the Parties, such disclosure shall not be deemed a waiver of Privilege with respect to such information, and any Party receiving it in connection with a proceeding shall be informed of its nature and shall be required to safeguard and protect it.

(b) Upon receipt by either Party of any subpoena, discovery or other request that may call for the production or disclosure of information that is the subject of a Privilege, or if a Party obtains knowledge that any current or former employee of a Party has received any subpoena, discovery or other request that may call for the production or disclosure of such information, such Party shall provide the other Party a reasonable opportunity to review the information and to assert any rights it may have under this Section 6.08 or otherwise to prevent the production or disclosure of such information. Absent receipt of written consent from the other Party to the production or disclosure of information that may be covered by a Privilege, each Party agrees that it will not produce or disclose any information that may be covered by a Privilege unless a court of competent jurisdiction has entered a final, nonappealable order finding that the information is not entitled to protection under any applicable Privilege.

(c) Collectis' transfer of Company Books and Records and other Information to the Company, Collectis' agreement to permit the Company to obtain Information existing prior to the Effective Date, the Company's transfer of Collectis Books and Records and other Information and the Company's agreement to permit Collectis to obtain Information existing prior to the Effective Date are made in reliance on Collectis' and the Company's respective agreements, as set forth in Section 6.06, Section 6.07 and this Section 6.08, to maintain the confidentiality of such Information and to take the steps provided herein for the preservation of all Privileges that may belong to or be asserted by Collectis or the Company, as the case may be. The access to Information being granted pursuant to Section 6.01 hereof, the agreement to provide witnesses and individuals pursuant to Section 6.06 hereof and the disclosure to Collectis and the Company of Privileged Information relating to the Company Business or Collectis Business (if any) pursuant to this Agreement shall not be asserted by Collectis or the Company to constitute, or otherwise deemed, a waiver of any Privilege that has been or may be asserted under this Section 6.08 or otherwise. Nothing in this Agreement shall operate to reduce, minimize or condition the rights granted to Collectis and the Company in, or the obligations imposed upon the Parties by, this Section 6.08.

ARTICLE 7
FINANCIAL AND OTHER COVENANTS

Section 7.01. *Disclosure and Financial Controls.* The Company agrees that, for so long as Collectis is required to consolidate the results of operations and financial position of the Company and any other members of the Company Group or to account for its investment in the Company under the equity method of accounting (determined in accordance with IFRS and consistent with reporting requirements under Collectis policies applicable at the Effective Date and under applicable Law):

(a) Disclosure of Financial Controls. The Company will, and will cause each other member of the Company Group to, maintain, as of and after the Effective Date, disclosure controls and procedures and internal control over financial reporting as defined in Exchange Act Rule 13a-15; the Company will cause each of its principal executive and principal financial officers to sign and deliver certifications to the Company's periodic reports and will include the certifications in the Company's periodic reports, as and when required pursuant to Exchange Act Rule 13a-14 and Item 601 of Regulation S-K; the Company will cause its management to evaluate the Company's disclosure controls and procedures and internal control over financial reporting (including any change in internal control over financial reporting) as and when required pursuant to Exchange Act Rule 13a-15; the Company will disclose in its periodic reports filed with the Commission information concerning the Company management's responsibilities for and evaluation of the Company's disclosure controls and procedures and internal control over financial reporting (including, without limitation, the annual management report and attestation report of the Company's independent auditors relating to internal control over financial reporting) as and when required under Items 307 and 308 of Regulation S-K and other applicable Commission rules; and, without limiting the general application of the foregoing, the Company will, and will cause each other member of the Company Group to, maintain as of and after the Effective Date internal systems and procedures that will

provide reasonable assurance that (A) the Financial Statements are reliable and timely prepared in accordance with GAAP or IFRS (as applicable) and applicable Law, (B) all transactions of members of the Company Group are recorded as necessary to permit the preparation of the Financial Statements, (C) the receipts and expenditures of members of the Company Group are authorized at the appropriate level within the Company, and (D) unauthorized use or disposition of the assets of any member of the Company Group that could have a material effect on the Financial Statements is prevented or detected in a timely manner.

(b) Fiscal Year. The Company will, and will cause each member of the Company Group organized in the U.S. to maintain a fiscal year that commences and ends on the same calendar days as Collectis' fiscal year commences and ends, and to maintain monthly accounting periods that commence and end on the same calendar days as Collectis' monthly accounting periods commence and end. The Company will, and will cause each member of the Company Group organized outside the U.S. to maintain a fiscal year that commences and ends on the same calendar days as the fiscal year of the corresponding members of the Collectis Group organized outside the U.S. commences and ends, and to maintain monthly accounting periods that commence and end on the same calendar days as the monthly accounting periods of the corresponding members of the Collectis Group organized outside the U.S. commence and end.

(c) Monthly and Quarterly Financial Information. The Company and each of its Subsidiaries and Affiliates will deliver to Collectis an income statement and balance sheet on a monthly basis for such period in such format and detail as Collectis reasonably requests, including for purposes of Collectis to prepare reconciliations with respect to its financial statements. The Company and each of its Subsidiaries and Affiliates will deliver to Collectis an income statement and balance sheet and supplemental data related to cash flows and other necessary disclosures on a quarterly basis in such format and detail as Collectis may reasonably request. The Company will be responsible for reviewing its results and data and for informing Collectis immediately of any post-closing adjustments that come to its attention. The Company must provide final sign-off of its results, using Collectis' materiality standards, no later than seven Business Days after the quarterly close period end for the income statement, for the balance sheet, cash flow and supplemental data. A certification will be provided by the Controller and Chief Financial Officer and Chief Executive Officer of the Company pertaining to the quarter financials and internal controls no later than five Business Days prior to Collectis' filing or furnishing of its quarterly financial statements with the Commission.

(d) Quarterly Financial Statements. As soon as practicable and no later than 14 Business Days after the quarterly close period, the Company will deliver to Collectis drafts of (A) the consolidated financial statements of the Company Group (and notes thereto) for such periods and for the period from the beginning of the current fiscal year to the end of such quarter, setting forth in each case in comparative form for each such fiscal quarter of the Company the consolidated figures (and notes thereto) for the corresponding quarter and periods of the previous fiscal year and all in reasonable detail and prepared in accordance with Article 10 of Regulation S-X and GAAP or IFRS (as applicable), and (B) a discussion and analysis by management of the Company Group's

financial condition and results of operations for such fiscal period, including, without limitation, an explanation of any material period-to-period change and any off-balance sheet transactions, all in reasonable detail and prepared in accordance with Item 303(b) of Regulation S-K; provided, however, that the Company will deliver such information at such earlier time upon Collectis written request with 30 days' notice resulting from Collectis' determination to accelerate the timing of the filing or furnishing of its financial statements with the Commission. The information set forth in (A) and (B) above is referred to in this Agreement as the "**Quarterly Financial Statements**." No later than five Business Days prior to the date the Company publicly files the Quarterly Financial Statements with the Commission or otherwise makes such Quarterly Financial Statements publicly available, the Company will deliver to Collectis the final form of the Company Quarterly Financial Statements and certifications thereof by the principal executive and financial officers of the Company in substantially the forms required under Commission rules for periodic reports and in form and substance satisfactory to Collectis, including for purposes of Collectis to prepare reconciliations with respect to its financial statements; provided, however, that the Company may continue to revise such Quarterly Financial Statements prior to the filing thereof in order to make corrections and non-substantive changes which corrections and changes will be delivered by the Company to Collectis as soon as practicable, and in any event within eight hours of making any such corrections or changes; provided, further, that Collectis' and the Company's financial representatives will actively consult with each other regarding any changes (whether or not substantive) which the Company may consider making to its Quarterly Financial Statements and related disclosures during the five Business Days immediately prior to any anticipated filing by the Company with the Commission, with particular focus on any changes which would have an effect upon Collectis' financial statements or related disclosures. In addition to the foregoing, no Quarterly Financial Statement or any other document which refers, or contains information not previously publicly disclosed with respect to the ownership of the Company by Collectis or the IPO and transactions contemplated by this Agreement and the Ancillary Agreements following the Effective Date, will be filed with the Commission or otherwise made public by any Company Group member without the prior written consent of Collectis, which consent shall not be unreasonably withheld. Notwithstanding anything to the contrary in this Section 7.01(d), the Company will not file its Quarterly Financial Statements with the Commission unless otherwise required by applicable Law or approved by Collectis.

(e) Annual Financial Statements. On an annual basis, the Company will deliver to Collectis an income statement and balance sheet and supplemental data related to cash flows and other necessary disclosures for such period in such format and detail as Collectis may reasonably request, including for purposes of Collectis to prepare reconciliations with respect to its financial statements. The Company will be responsible for reviewing its results and data and for informing Collectis immediately of any post-closing adjustments within eight hours of its awareness. The Company must provide final sign-off of its results, using Collectis' materiality standards, no later than seven Business Days after the annual close period end for the income statement, for the balance sheet, for the cash flow and supplemental data. A certification will be provided by the Controller and Chief Financial Officer and Chief Executive Officer of the Company pertaining to the financials and internal controls no later than seven Business Days prior to Collectis'

filing of its audited annual financial statements (the “**Collectis Annual Statements**”) with the Commission. As soon as practicable, and in any event no later than 15 Business Days prior to the date on which Collectis has notified the Company that Collectis intends to file its annual report on Form 20-F or other document containing annual financial statements with the Commission, the Company will deliver to Collectis any financial and other information and data with respect to the Company Group and its business, properties, financial position, results of operations and prospects as is reasonably requested by Collectis in connection with the preparation of Collectis’ financial statements and annual report on Form 20-F. As soon as practicable, and in any event no later than fifteen Business Days prior to the date on which the Company is required to file an annual report on Form 10-K or other document containing its Annual Financial Statements (as defined below) with the Commission, the Company will deliver to Collectis drafts of (A) the consolidated financial statements of the Company Group (and notes thereto) for such year, setting forth in each case in comparative form the consolidated figures (and notes thereto) for the previous fiscal years and all in reasonable detail and prepared in accordance with Regulation S-X and GAAP or IFRS (as applicable) and (B) a discussion and analysis by management of the Company Group’s financial condition and results of operations for such year, including, without limitation, an explanation of any material period-to-period change and any off-balance sheet transactions, all in reasonable detail and prepared in accordance with Items 303(a) and 305 of Regulation S-K. The information set forth in (A) and (B) above is referred to in this Agreement as the “**Annual Financial Statements.**” The Company will deliver to Collectis all revisions to such drafts as soon as any such revisions are prepared or made. No later than five Business Days prior to the date the Company publicly files the Annual Financial Statements with the Commission or otherwise makes such Annual Financial Statements publicly available, the Company will deliver to Collectis the final form of its annual report on Form 10-K and certifications thereof by the principal executive and financial officers of the Company in substantially the forms required under Commission rules for periodic reports and in form and substance satisfactory to Collectis; provided, however, that the Company may continue to revise such Annual Financial Statements prior to the filing thereof in order to make corrections and non-substantive changes which corrections and changes will be delivered by the Company to Collectis as soon as practicable, and in any event within eight hours of making any such corrections or changes; provided, further, that Collectis’ and the Company’s financial representatives will actively consult with each other regarding any changes (whether or not substantive) which the Company may consider making to its Annual Financial Statements and related disclosures during the five Business Days immediately prior to any anticipated filing with the Commission. In addition to the foregoing, no Annual Financial Statement or any other document which refers, or contains information not previously publicly disclosed with respect to the ownership of the Company by Collectis or the IPO and transactions contemplated by this Agreement and the Ancillary Agreements following the Effective Date will be filed with the Commission or otherwise made public by any Company Group member without the prior written consent of Collectis, which consent shall not be unreasonably withheld. Beginning with the 2017 fiscal year, the Company will use its reasonable best efforts to deliver to Collectis, no later than five Business Days prior to the date on which Collectis has notified the Company that Collectis intends to file the

Collectis Annual Statements with the Commission, the final form of the Annual Financial Statements accompanied by an opinion thereon by the Company's independent certified public accountants. Notwithstanding anything to the contrary in this Section 7.01(e), the Company will not file its Annual Financial Statements with the Commission unless otherwise required by applicable Law or approved by Collectis.

(f) **Affiliate Financial Statements.** The Company will deliver to Collectis all quarterly financial statements and annual financial statements of each Company Affiliate which is itself required to file financial statements with the Commission or otherwise make such financial statements publicly available, with such financial statements to be provided in the same manner and detail and on the same time schedule as Quarterly Financial Statements and Annual Financial Statements required to be delivered to Collectis pursuant to this Section 7.01.

(g) **Conformity with Collectis Financial Presentation.** All information provided by any Company Group member to Collectis or filed with the Commission pursuant to Section 7.01(c) through (f) inclusive will be consistent in terms of format and detail and otherwise with the financial presentation in the prospectus for the IPO and as otherwise presently presented in financial reports to the Board of Directors of Collectis, with such changes therein as may be requested by Collectis from time to time consistent with changes in such accounting principles and practices.

(h) **Company Reports Generally.** The Company shall, and shall cause each Company Group member that files information with the Commission, to deliver to Collectis: (A) substantially final drafts, as soon as the same are prepared, of (x) all reports, notices and proxy and information statements to be sent or made available by such Company Group member to its respective security holders, (y) all regular, periodic and other reports to be filed or furnished under Sections 13, 14 and 15 of the Exchange Act (including reports on Forms 10-K, 10-Q and 8-K and annual reports to shareholders), and (z) all registration statements and prospectuses to be filed by such Company Group member with the Commission or any securities exchange pursuant to the listed company manual (or similar requirements) of such exchange (collectively, the documents identified in clauses (x), (y) and (z) are referred to in this Agreement as "**Company Public Documents**"), and (B) as soon as practicable, but in no event later than five Business Days (other than with respect to Form 8-Ks) prior to the earliest of the dates the same are printed, sent or filed, current drafts of all such Company Public Documents and, with respect to Form 8-Ks, as soon as practicable, but in no event later than three Business Days prior to the earliest of the dates the same are printed, sent or filed in the case of planned Form 8-Ks and as soon as practicable, but in no event less than two hours in the case of unplanned Form 8-Ks; provided, however, that the Company may continue to revise such Company Public Documents prior to the filing thereof in order to make corrections and non-substantive changes which corrections and changes will be delivered by the Company to Collectis as soon as practicable, and in any event within eight hours of making any such corrections or changes; provided, further, that Collectis and the Company financial representatives will actively consult with each other regarding any changes (whether or not substantive) which the Company may consider making to any of its Company Public Documents and related disclosures prior to any anticipated filing

with the Commission, with particular focus on any changes which would have an effect upon Collectis' financial statements or related disclosures. In addition to the foregoing, no Company Public Document or any other document which refers, or contains information not previously publicly disclosed with respect to the ownership of the Company by Collectis or the IPO and transactions contemplated by this Agreement and the Ancillary Agreements following the Effective Date will be filed with the Commission or otherwise made public by any Company Group member without the prior written consent of Collectis.

(i) Budgets and Financial Projections. The Company will, as promptly as practicable, deliver to Collectis copies of all annual budgets and financial projections (including initial annual budgets and reforecasts after the first and third quarters of each fiscal year, each consistent in terms of format and detail mutually agreed upon by the Parties) relating to the Company on a consolidated basis and will provide Collectis an opportunity to meet with management of the Company to discuss such budgets and projections.

(j) Other Information. With reasonable promptness, the Company will deliver to Collectis such additional financial and other information and data with respect to the Company Group and their business, properties, financial positions, results of operations and prospects as from time to time may be reasonably requested by Collectis.

(k) Press Releases and Similar Information. The Company and Collectis will consult with each other as to the timing of their annual and quarterly earnings releases and any interim financial guidance for a current or future period and will give each other the opportunity to review the information therein relating to the Company Group and to comment thereon. Collectis and the Company will make reasonable efforts to issue their respective annual and quarterly earnings releases at approximately the same time on the same date. Company shall coordinate the timing of its respective earnings release conference calls with Collectis earning calls timing, such that the Company shall issue its annual and quarterly earnings release no later than five days before the Collectis' annual and quarterly earnings release, provided that Collectis will inform the Company of its next financial year agenda quarterly releases not later than December 15 of the preceding year. No later than eight hours prior to the time and date that a Party intends to publish its regular annual or quarterly earnings release or any financial guidance for a current or future period, such Party will deliver to the other Party copies of substantially final drafts of all related press releases and other statements to be made available by any member of that Party's Group to employees of any member of that Party's Group or to the public concerning any matters that could be reasonably likely to have a material financial impact on the earnings, results of operations, financial condition or prospects of any Company Group member. In addition, prior to the issuance of any such press release or public statement that meets the criteria set forth in the preceding two sentences, the issuing Party will consult with the other Party regarding any changes (other than typographical or other similar minor changes) to such substantially final drafts. Immediately following the issuance thereof, the issuing Party will deliver to the other Party copies of final drafts of all press releases and other public statements. Prior to the Effective Date, the Company shall consult with Collectis prior to issuing any press releases or otherwise making public

statements with respect to the IPO and transactions contemplated by this Agreement and the Ancillary Agreements following the Effective Date or any of the other transactions contemplated hereby and prior to making any filings with any Governmental Authority with respect thereto.

(l) Cooperation on Collectis Filings. The Company will cooperate fully, and cause Company Auditors to cooperate fully, with Collectis to the extent requested by Collectis in the preparation of Collectis' public earnings or other press releases, quarterly reports, annual reports to shareholders, annual reports on Form 20-F, any current reports on Form 6-K and any other proxy, information and registration statements, reports, notices, prospectuses and any other filings or furnishings made by Collectis with the Commission, any national or non-U.S. securities exchange or otherwise made publicly available (collectively, the "**Collectis Public Filings**"). The Company agrees to provide to Collectis all information that Collectis reasonably requests in connection with any Collectis Public Filings or that, in the judgment of Collectis' legal counsel, is required to be disclosed or incorporated by reference therein under any Law, rule or regulation. The Company will provide such information in a timely manner on the dates requested by Collectis (which may be earlier than the dates on which the Company otherwise would be required hereunder to have such information available) to enable Collectis to prepare, print and release all Collectis Public Filings on such dates as Collectis will determine but in no event later than as required by applicable Law. The Company will use its commercially reasonable efforts to cause Company Auditors to consent to any reference to them as experts in any Collectis Public Filings required under any Law, rule or regulation. If and to the extent requested by Collectis, the Company will diligently and promptly review all drafts of such Collectis Public Filings and prepare in a diligent and timely fashion any portion of such Collectis Public Filing pertaining to the Company. Prior to any printing or public release of any Collectis Public Filing, an appropriate executive officer of the Company will, if requested by Collectis, certify that the information relating to any Company Group member or the Company Business in such Collectis Public Filing is accurate, true, complete and correct in all material respects. Unless required by Law, rule or regulation, the Company will not publicly release any financial or other information which conflicts with the information with respect to any Company Group member or the Company Business that is included in any Collectis Public Filing without Collectis' prior written consent. Prior to the release or filing thereof, Collectis will provide the Company with a draft of any portion of a Collectis Public Filing containing information relating to the Company Group and will give the Company an opportunity to review such information and comment thereon; provided that Collectis will determine in its sole and absolute discretion the final form and content of all Collectis Public Filings.

(m) The Company must comply with Collectis policies including without limitation the policies regarding the reporting requirements (such as the use of internal IT reporting tools like SAP, or other Collectis internal IT systems).

Section 7.02. *Auditors and Audits; Annual Statements and Accounting.* The Company agrees that for so long as Collectis is required to consolidate the results of operations and financial position of the Company and any other members of the Company Group or to account for its investment in the Company under the equity method of accounting (determined in accordance with GAAP or IFRS (as applicable) and consistent with reporting requirements under applicable Law) (an “**Applicable Period**”); provided that the Company’s obligations pursuant to Section 7.02(e) and (f) shall continue beyond an Applicable Period to the extent any amendments to, or restatements or modifications of, Collectis Public Filings are necessary with respect to any such Applicable Period:

(a) Selection of Company Auditors. Unless required by Law, the Company will not select a different accounting firm than Ernst & Young (or its affiliate accounting firms) (unless so directed by Collectis in accordance with a change by Collectis in its accounting firm) to serve as its (and the Company Affiliates’) independent certified public accountants (“**Company Auditors**”) without Collectis’ prior written consent; provided, however, that, to the extent any such Company Affiliates are currently using a different accounting firm to serve as their independent certified public accountants, such Company Affiliates may continue to use such accounting firm provided such accounting firm is reasonably satisfactory to Collectis.

(b) Audit Timing. Beginning with the 2017 fiscal year, the Company will use its best efforts to enable Company Auditors to complete their audit such that they will date their opinion on the Annual Financial Statements on the same date that Collectis’ independent certified public accountants (“**Collectis Auditors**”) date their opinion on the Collectis Annual Statements, and to enable Collectis to meet its timetable for the printing, filing and public dissemination of the Collectis Annual Statements, all in accordance with Section 7.01(a) hereof and as required by applicable Law, *provided* that, if the Collectis Annual Statements shall be dated as of a date such that compliance with this Section 7.02(b) would cause the Company to fail to timely comply with any filing requirement of the Commission, then the Company shall be permitted to cause the Company Auditors to date their opinion on such earlier date as may be required to achieve such compliance.

(c) Quarterly Review. Beginning with the first fiscal quarter after the Effective Date, the Company shall use its best efforts to enable Collectis’ Auditors to complete their quarterly review procedures on the Quarterly Financial Statements on the same date that Collectis Auditors complete their quarterly review procedures on Collectis’ quarterly financial statements.

(d) Information Needed by Collectis. The Company will provide to Collectis on a timely basis all information that Collectis reasonably requires to meet its schedule for the preparation, printing, filing, and public dissemination of the Collectis Annual Statements in accordance with Section 7.01(a) hereof and as required by applicable Law. Without limiting the generality of the foregoing, the Company will provide all required financial information with respect to the Company Group to the Company’s Auditors in a sufficient and reasonable time and in sufficient detail to permit Company Auditors to take all steps and perform all reviews necessary to provide sufficient assistance to Collectis’ Auditors with respect to information to be included or contained in the Collectis Annual Statements.

(e) Access to Company Auditors. The Company will authorize Company's Auditors to make available to Collectis' Auditors both the personnel who performed, or are performing, the annual audit and quarterly reviews of the Company and work papers related to the annual audit and quarterly reviews of the Company, in all cases within a reasonable time prior to Company Auditors' opinion date, so that Collectis' Auditors are able to perform the procedures they consider necessary to take responsibility for the work of Company's Auditors as it relates to Collectis Auditors' report on Collectis' financial statements, all within sufficient time to enable Collectis to meet its timetable for the printing, filing and public dissemination of the Collectis Annual Statements.

(f) Access to Records. At Collectis' request, for so long as Collectis and its Affiliates beneficially own, in the aggregate, at least 50% of the outstanding shares of Common Stock of the Company, Collectis and its employees and other representatives and potential transferees of its Common Stock and their representatives shall have the right to consult with and advise senior management of the Company and to review the Company's books and records so that Collectis may conduct audits relating to Company business, including without limitation the financial statements or other financial information provided by the Company under this Agreement as well as to the internal accounting controls, operations and Contracts of the Company Group upon reasonable advance notice, provided that such parties, potential transferees and their respective representatives agree to keep any such confidential, non-public information about the Company confidential (except as may be required by law or applicable listing standards then in effect) and agree to comply with all applicable securities laws in connection therewith.

(g) Notice of Changes. Subject to Section 7.01(g), the Company will give Collectis as much prior notice as reasonably practicable of any proposed determination of, or any significant changes in, the Company's accounting estimates or accounting principles from those in effect on the Effective Date. The Company will consult with Collectis and, if requested by Collectis, the Company will consult with Collectis' Auditors with respect thereto. The Company will not make any such determination or changes without Collectis' prior written consent if such a determination or a change would be required to be disclosed in the Company's or Collectis' financial statements as filed with the Commission or otherwise publicly disclosed therein.

(h) Accounting Changes Requested by Collectis. Notwithstanding clause (g) above, the Company will make any changes in its accounting estimates or accounting principles that are requested by Collectis in order for the Company's accounting practices and principles to be consistent with those of Collectis.

(i) Special Reports of Deficiencies or Violations. The Company will report in reasonable detail to Collectis the following events or circumstances promptly after any executive officer of the Company or any member of the Board of Directors of the Company becomes aware of such matter: (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting; (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting; (C) any illegal act within the meaning of Section 10A(b) and (f) of the Exchange Act; and (D) any report of a material violation of Law that an attorney representing any Company Group member has formally made to any officers or directors of the Company pursuant to the SEC's attorney conduct rules (17 C.F.R. Part 205).

Section 7.03. *Retention of Certain Services.* As long as Collectis and its Affiliates beneficially own at least 50% of the outstanding shares of Common Stock of the Company, Collectis shall continue to provide the services as defined in the Management Services Agreement, pursuant to the terms as agreed between the Parties from time to time.

ARTICLE 8
DISPUTE RESOLUTION

Section 8.01. *Disputes.* Except as otherwise specifically provided in any Ancillary Agreement, the procedures for discussion, negotiation and mediation set forth in this Article 8 shall apply to all disputes, controversies or claims (whether arising in contract, tort or otherwise) between or among any Person in the Collectis Group and the Company Group that may arise out of or relate to, or arise under or in connection with this Agreement, or the transactions contemplated hereby or thereby (including all actions taken in furtherance of the transactions contemplated hereby on or prior to the Effective Date.

Section 8.02. *Escalation; Mediation.* (a) It is the intent of the Parties to use their respective commercially reasonable efforts to resolve expeditiously any dispute, controversy or claim between or among them with respect to the matters covered by this Agreement or any Ancillary Agreement that may arise from time to time on a mutually acceptable negotiated basis. In furtherance of the foregoing, any Party involved in a dispute, controversy or claim with respect to such matters may deliver a notice (an “**Escalation Notice**”) demanding an in person meeting involving representatives of the Parties at a senior level of management of the Parties (or if the Parties agree, of the appropriate strategic business unit or division within such entity). A copy of any such Escalation Notice shall be given to the General Counsel, or like officer or official, of each Party involved in the dispute, controversy or claim (which copy shall state that it is an Escalation Notice pursuant to this Agreement). Any agenda, location or procedures for such discussions or negotiations between the Parties may be established by the Parties from time to time; provided, however, that the Parties shall use their commercially reasonable efforts to meet within 30 days of the delivery of the Escalation Notice.

(b) If the Parties are not able to resolve the dispute, controversy or claim through the escalation process referred to above, then the matter shall be referred to mediation. The Parties shall retain a mediator to aid the Parties in their discussions and negotiations by informally providing advice to the Parties. Any opinion expressed by the mediator shall be strictly advisory and shall not be binding on the Parties, nor shall any opinion expressed by the mediator be admissible in any other proceeding. The mediator may be chosen from a list of mediators previously selected by the Parties or by other agreement of the Parties. Costs of the mediation shall be borne equally by the Parties involved in the matter, except that each Party shall be responsible for its own expenses. Mediation shall be a prerequisite to the commencement of any Action by either Party.

Section 8.03. *Court Actions.* (a) In the event that any Party, after complying with the provisions set forth in Section 8.02 above, desires to commence an Action, such Party, subject to Section 11.18, may submit the dispute, controversy or claim (or such series of related disputes, controversies or claims) to any court of competent jurisdiction as set forth in Section 11.18.

(b) Unless otherwise agreed in writing, the Parties will continue to provide service and honor all other commitments under this Agreement during the course of dispute resolution pursuant to the provisions of this Article 8, except to the extent such commitments are the subject of such dispute, controversy or claim.

ARTICLE 9 FURTHER ASSURANCES

Section 9.01. *Further Assurances.* (a) In addition to the actions specifically provided for elsewhere in this Agreement, each of the Parties will cooperate with each other and shall use its (and will cause their respective Subsidiaries and Affiliates to use) commercially reasonable efforts, prior to, on and after the Effective Date, to take, or cause to be taken, all actions, and to do, or cause to be done, all things, reasonably necessary, proper or advisable under applicable Laws, regulations and agreements to consummate and make effective the transactions contemplated by this Agreement and the Ancillary Agreements.

(b) Without limiting the foregoing, prior to, on and after the Effective Date, each Party shall cooperate with the other Party, and without any further consideration, at the expense of such other Party, to execute and deliver, or use its commercially reasonable efforts to cause to be executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, and to make all filings with, and to obtain all consents, approvals or authorizations of, any Governmental Authority or any other Person under any permit, license, agreement, indenture, order, decree, financial assurance (including letter of credit) or other instrument (including any Consents or governmental approvals), and to take all such other actions as such Party may reasonably be requested to take by such other Party hereto from time to time, consistent with the terms of this Agreement, in order to effectuate the provisions and purposes of this Agreement and the Ancillary Agreements and the other transactions contemplated hereby and thereby.

(c) On or prior to the Effective Date, Collectis and the Company in their respective capacities as direct and indirect stockholders of their respective Subsidiaries, shall each ratify any actions which are reasonably necessary or desirable to be taken by Collectis, the Company or any other Subsidiary of the Company or Collectis, as the case may be, to effectuate the transactions contemplated by this Agreement.

ARTICLE 10
TERMINATION

Section 10.01. *Termination.* This Agreement may be terminated in whole or in part at any time after the consummation of the IPO upon the earlier of (i) mutual written consent of Collectis and the Company and (ii) the date on which Collectis and its Affiliates cease to hold at least 15% of the outstanding shares of Common Stock of the Company.

Section 10.02. *Effect of Termination.* In the event of any termination of this Agreement in whole or in part, no Party (or any of its directors, officers, members or managers) shall have any Liability or further obligation to any other Party with respect to the portions of the Agreement so terminated.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Counterparts; Entire Agreement; Conflicting Agreements.* (a) This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same agreement, and shall become effective when one or more counterparts have been signed by each of the Parties and delivered to the other Party. Execution of this Agreement or any other documents pursuant to this Agreement by facsimile or other electronic copy of a signature shall be deemed to be, and shall have the same effect as, executed by an original signature.

(b) This Agreement, the Ancillary Agreements, the Surviving Contracts, the exhibits, the schedules and appendices hereto and thereto contain the entire agreement between the Parties with respect to the subject matter hereof, supersede all previous agreements, negotiations, discussions, writings, understandings, commitments and conversations with respect to such subject matter and there are no agreements or understandings between the Parties with respect to such subject matter other than those set forth or referred to herein or therein.

(c) In the event of any inconsistency between this Agreement and any Schedule hereto, the Schedule shall prevail. Subject to Section 4.05(d), in the event and to the extent that there shall be a conflict between the provisions of this Agreement and the provisions of any Ancillary Agreement, the Ancillary Agreement shall control with respect to the subject matter thereof, and this Agreement shall control with respect to all other matters.

Section 11.02. *No Construction Against Drafter.* The Parties acknowledge that this Agreement and all the terms and conditions contained herein have been fully reviewed and negotiated by the Parties. Having acknowledged the foregoing, the Parties agree that any principle of construction or rule of law that provides that, in the event of any inconsistency or ambiguity, an agreement shall be construed against the drafter of the agreement shall have no application to the terms and conditions of this Agreement.

Section 11.03. *Governing Law.* This Agreement shall be governed by and construed and interpreted in accordance with the Laws of the State of New York, without regard to the conflict of laws principles thereof that would result in the application of any Law other than the Laws of the State of New York.

Section 11.04. *Assignability*. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns; *provided, however*, that no Party hereto may assign its respective rights or delegate its respective obligations under this Agreement without the express prior written consent of the other Party or Parties hereto.

Section 11.05. *Third Party Beneficiaries*. Except for the indemnification rights under this Agreement of any Collectis Indemnitee or Company Indemnitee in their respective capacities as such (a) the provisions of this Agreement are solely for the benefit of the Parties and are not intended to confer upon any Person (including employees of the Parties hereto) except the Parties any rights or remedies hereunder, and (b) there are no third party beneficiaries of this Agreement and this Agreement shall not provide any third person (including employees of the Parties hereto) with any remedy, claim, liability, reimbursement, claim of action or other right in excess of those existing without reference to this Agreement.

Section 11.06. *Notices*. All notices or other communications under this Agreement shall be in writing and shall be deemed to be duly given when (a) delivered in person, (b) deposited in the United States mail or private express mail, postage prepaid, addressed or (c) sent via email, in each case as follows:

If to Collectis, to:

Collectis S.A.
8, rue de la Croix Jarry
75013 Paris, France
Attention: Chief Executive Officer
Facsimile: +33 (0)1 81 69 16 06
E-mail: andre.choulika@collectis.com

If to the Company to:

Calyxt, Inc.
600 County Road D West
Suite 8
New Brighton, MN 55112
Attention: Chief Executive Officer
E-mail: Federico.tripodi@calyxt.com

Any Party may, by notice to the other Party, change the physical or email address to which such notices are to be given. Any notice that is required under Article 7 to be given by a Party within a time period measured in hours, where the specified deadline to give such notice would fall between the hours of midnight to 7:00 a.m. local time for such Party on a particular day will be considered to have been given in a timely manner if the notice is delivered before 9:00 a.m. local time on such day.

Section 11.07. *Severability*. If any provision of this Agreement or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof or the application of such provision to Persons or circumstances or in jurisdictions other than those as to which it has been held invalid or unenforceable, shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner adverse to any Party. Upon such determination, the Parties shall negotiate in good faith in an effort to agree upon such a suitable and equitable provision to effect the original intent of the Parties.

Section 11.08. *Force Majeure*. No Party shall be deemed in default of this Agreement to the extent that any delay or failure in the performance of its obligations under this Agreement results from any cause beyond its reasonable control and without its fault or negligence, such as acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, unusually severe weather conditions, labor problems or unavailability of parts, or, in the case of computer systems, any failure in electrical or air conditioning equipment. In the event of any such excused delay, the time for performance shall be extended for a period equal to the time lost by reason of the delay.

Section 11.09. *Late Payments*. Except as expressly provided to the contrary in this Agreement or in any Ancillary Agreement, any amount not paid when due pursuant to this Agreement (and any amounts billed or otherwise invoiced or demanded and properly payable that are not paid within 30 days of such bill, invoice or other demand) shall accrue interest at a rate per annum equal to the Prime Rate plus 2%.

Section 11.10. *Expenses*. Except as otherwise specified in this Agreement or the Ancillary Agreements or as otherwise agreed in writing between Collectis and the Company, Collectis and the Company shall each be responsible for its own fees, costs and expenses paid or incurred in connection with the IPO.

Section 11.11. *Headings*. The article, section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

Section 11.12. *Survival of Covenants*. The covenants contained in this Agreement, indemnification obligations and liability for the breach of any obligations contained herein, shall survive the Effective Date and the other transactions contemplated by this Agreement shall remain in full force and effect.

Section 11.13. *Waivers of Default*. Waiver by any Party of any default by the other Party of any provision of this Agreement shall not be deemed a waiver by the waiving Party of any subsequent or other default, nor shall it prejudice the rights of the other Party.

Section 11.14. *Specific Performance.* In the event of any actual or threatened default in, or breach of, any of the terms, conditions and provisions of this Agreement, the Party or Parties who are or are to be thereby aggrieved shall have the right to specific performance and injunctive or other equitable relief of its rights under this Agreement, in addition to any and all other rights and remedies at law or in equity, and all such rights and remedies shall be cumulative.

Section 11.15. *Amendments.* No provisions of this Agreement shall be deemed waived, amended, supplemented or modified by any Party, unless such waiver, amendment, supplement or modification is in writing and signed by the authorized representative of the Party against whom it is sought to enforce such waiver, amendment, supplement or modification.

Section 11.16. *Interpretation.* Words in the singular shall be held to include the plural and vice versa and words of one gender shall be held to include the other genders as the context requires. The terms “hereof”, “herein” and “herewith” and words of similar import shall, unless otherwise stated, be construed to refer to this Agreement as a whole (including all of the schedules, exhibits and appendices hereto) and not to any particular provision of this Agreement. Article, Section, Exhibit, Schedule and Appendix references are to the Articles, Sections, Exhibits, Schedules and Appendices to this Agreement unless otherwise specified. The word “including” and words of similar import when used in this Agreement means “including, without limitation”, unless the context otherwise requires or unless otherwise specified.

Section 11.17. *Waiver of Jury Trial.* EACH OF THE PARTIES HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY COURT PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF AND PERMITTED UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH OF THE PARTIES HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF THE OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, AS APPLICABLE, BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 11.17.

Section 11.18. *Submission to Jurisdiction; Waivers.* With respect to any Action relating to or arising out of this Agreement, subject to the provisions of Article 8, each Party to this Agreement irrevocably (a) consents and submits to the exclusive jurisdiction of the courts of the State of New York and any court of the United States located in the Borough of Manhattan in New York City; (b) waives any objection which such Party

may have at any time to the laying of venue of any Action brought in any such court, waives any claim that such Action has been brought in an inconvenient forum and further waives the right to object, with respect to such Action, that such court does not have jurisdiction over such Party; and (c) consents to the service of process at the address set forth for notices in Section 11.06 herein; provided, however, that such manner of service of process shall not preclude the service of process in any other manner permitted under applicable Law.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date set forth above.

CELLECTIS S.A.

By: /s/ André Choulika
Name: André Choulika
Title: Chief Executive Officer

CALYXT, INC.

By: /s/ Federico Tripodi
Name: Federico Tripodi
Title: Chief Executive Officer

[Signature Page to the Separation Agreement]

Stockholders Agreement by and among Calyxt, Inc., Collectis S.A. and the Persons listed on Schedule A thereto, dated as of July 25, 2017

Current account agreement between Calyxt, Inc. and Collectis S.A., dated March 7, 2011

Letter of Credit with Société Générale to cover the New Brighton offices

STOCKHOLDERS AGREEMENT

THIS STOCKHOLDERS AGREEMENT (as it may be amended from time to time in accordance with the terms hereof, this “**Agreement**”), dated as of July 25, 2017, is made by and among Calyxt, Inc., a Delaware corporation (the “**Company**”), Collectis S.A., a French *société anonyme* (“**Collectis**”) and the Persons listed on Schedule A hereto (each, a “**Non-Collectis Holder**” and collectively, the “**Non-Collectis Holders**”).

RECITALS

WHEREAS, Collectis beneficially owned all of the outstanding Company Shares (as defined below) prior to the consummation of the Company’s proposed initial public offering (the “**IPO**”); and

WHEREAS, in connection with the IPO, the Company, Collectis and the Non-Collectis Holders desire to provide for certain rights and obligations of Collectis, the Company and the Non-Collectis Holders upon and after the consummation of the IPO.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the Parties, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. *Definitions.* As used in this Agreement, the following terms shall have the following meanings:

“**Additional Piggyback Rights**” has the meaning set forth in Section 4.02(c).

“**Affiliate**” of any Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such Person; *provided, however*, that, for purposes of this Agreement, the Company shall not be considered an “**Affiliate**” of any of Collectis and its Subsidiaries other than the Company, and each of Collectis and its Subsidiaries other than the Company shall not be considered an “**Affiliate**” of the Company. As used herein, “**control**” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such entity, whether through ownership of voting securities or other interests, by contract or otherwise. For purposes of this definition, “**Affiliated**,” “**controlling**,” “**controlled by**,” and “**under common control with**” have correlative meanings.

“**Agreement**” has the meaning set forth in the preamble.

“**Automatic Shelf Registration Statement**” has the meaning set forth in Section 4.04.

“**Beneficially Owned**” has the meaning set forth in Rule 13d-3 under the Exchange Act, but without reference to clause (d)(1) of such Rule.

“**Board of Directors**” means the board of directors of the Company.

“**Business Day**” means any day other than a Saturday, Sunday or day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

“**Collectis**” has the meaning set forth in the preamble.

“**Claims**” has the meaning set forth in 4.09(a).

“**Company**” has the meaning set forth in the preamble.

“**Company Shares**” means common stock of the Company and any and all securities of any kind whatsoever of the Company that may be issued by the Company after the date hereof in respect of, in exchange for, or in substitution of, Company Shares, pursuant to any stock dividends, stock splits, reverse stock splits, combinations, reclassifications, recapitalizations, share exchange, consolidation or other reorganizations and the like occurring after the date hereof.

“**Company Shares Equivalents**” means all options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject) Company Shares or other equity securities of the Company (including any note or debt security convertible into or exchangeable for Company Shares or other equity securities of the Company).

“**Demand Exercise Notice**” has the meaning set forth in Section 4.01(a).

“**Demand Registration**” has the meaning set forth in Section 4.01(a).

“**Demand Registration Request**” has the meaning set forth in Section 4.01(a).

“**Director**” means a member of the Board of Directors.

“**Exchange Act**” means the Securities Exchange Act of 1934, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“**Expenses**” means any and all fees and expenses incident to the Company’s performance of or compliance with Article 4, including: (i) SEC, stock exchange and FINRA registration and filing fees and all listing fees and fees with respect to the inclusion of securities on the NASDAQ or on any other securities market on which the Company Shares are listed or quoted, (ii) fees and expenses of compliance with state securities or “blue sky” laws and in connection with the preparation of a “blue sky” survey, including reasonable fees and expenses of outside “blue sky” counsel, (iii) printing and copying expenses, (iv) messenger and delivery expenses, (v) expenses incurred in connection with any road show, (vi) fees and disbursements of counsel for the Company, (vii) with respect to each registration, the fees

and disbursements of one counsel for the Participating Holder(s) (selected by the Majority Participating Holders), (viii) fees and disbursements of all independent public accountants (including the expenses of any audit and/or comfort letter and updates thereof) and fees and expenses of other Persons, including special experts, retained, or authorized to be retained, by the Company, (ix) fees and expenses payable to any qualified independent underwriter required under applicable FINRA rules, (x) any other fees and disbursements of underwriters, if any, customarily paid by issuers or sellers of securities (excluding, for the avoidance of doubt, any underwriting commission, discount or spread), (xi) any rating agency fees, and (xii) expenses for securities law liability insurance.

“**FINRA**” means the Financial Industry Regulatory Authority.

“**Governing Documents**” means (i) with respect to the Company, the certificate of incorporation of the Company, as amended or modified from time to time, and the by-laws of the Company, as amended or modified from time to time and (ii) with respect to any other Person, such Person’s certificate of incorporation, by-laws or other similar constitutive documents.

“**Governmental Authority**” means any nation or government, any state, municipality or other political subdivision thereof, and any entity, body, agency, commission, department, board, bureau, court, tribunal or other instrumentality, whether federal, state, local, domestic, foreign or multinational, exercising executive, legislative, judicial, regulatory, administrative or other similar functions of, or pertaining to, government and any executive official thereof.

“**Holder**” means (i) Collectis so long as it holds any Registrable Securities and (ii) any Person owning Registrable Securities who is a Permitted Transferee and becomes party to this Agreement.

“**Independent Director**” means a Director who qualifies, as of the date of such Director’s election or appointment to the Board of Directors and as of any other date on which the determination is being made, as an “independent director” pursuant to SEC rules and applicable listing standards, as amended from time to time, as determined by the Board of Directors without the vote of such Director.

“**Initiating Holder**” has the meaning set forth in Section 4.01(a).

“**IPO**” has the meaning set forth in the recitals.

“**Litigation**” means any action, proceeding or investigation in any court or before any Governmental Authority.

“**Majority Participating Holders**” means (i) Collectis if it is participating in an offering of Registrable Securities pursuant to Sections 4.01 or Section 4.02 or (ii) otherwise, the Participating Holders holding more than 50% of the Registrable Securities proposed to be included in such offering.

“**Manager**” has the meaning set forth in Section 4.01(c).

Any “**Necessary Action**” means, with respect to a specified result, all actions (to the extent such actions are permitted by law and by the Governing Documents) necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to the Company Shares, (ii) causing the adoption of stockholders’ resolutions and amendments to the Governing Documents, (iii) causing Directors (to the extent such Directors were nominated or designated by the Person obligated to undertake the Necessary Action, and subject to any fiduciary duties that such Directors may have as Directors) to act in a certain manner or causing them to be removed in the event they do not act in such a manner, (iv) executing agreements and instruments, and (v) making, or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result.

“**Non-Collectis Holder**” and “**Non-Collectis Holders**” have the meaning set forth in the preamble.

“**Participating Holders**” means all Holders of Registrable Securities which are proposed to be included in any registration or offering of Registrable Securities pursuant to Section 4.01 or Section 4.02.

“**Party**” means the Company, Collectis, the Non-Collectis Holders and any Permitted Transferee who becomes a Party pursuant to Article 5.

“**Permitted Transferee**” means in the case of any Holder, (i) any Affiliate of such Holder that executes a customary joinder agreement to this Agreement or (ii) a Person or Affiliated Persons to whom such Holder transferred a number of Company Shares such that after giving effect to such transfer such Person or Affiliated Persons Beneficially Owns or Own, in the aggregate, at least 10% of the then outstanding Company Shares.

“**Person**” means an individual, partnership, limited liability company, corporation, trust, other entity, association, estate, unincorporated organization or a government or any agency or political subdivision thereof.

“**Piggyback Shares**” has the meaning set forth in Section 4.03(a)(iv).

“**Registrable Securities**” means any Company Shares held by the Holders at any time (including those held as a result of the conversion or exercise of Company Shares Equivalents); *provided* that, as to any Registrable Securities held by a particular Holder, such securities shall cease to be Registrable Securities when (A) a registration statement with respect to the sale of such securities shall have been declared effective under the Securities Act and such securities shall have been disposed of in accordance with such registration statement, or (B) (x) such securities are eligible to be sold by such Holder in a single transaction in compliance with the requirements of Rule 144 under the Securities Act, as such Rule 144 may be amended (or any successor provision thereto) without volume limitations under Rule 144 and (y) such Holder no longer Beneficially Owns in the aggregate a number of Company Shares equal to at least 10% of the then outstanding Company Shares.

“**Rule 144**” and “**Rule 144A**” have the meaning set forth in Section 4.12.

“**SEC**” means the U.S. Securities and Exchange Commission.

“**Section 4.03(a) Sale Number**” has the meaning set forth in Section 4.03(a).

“**Section 4.03(b) Sale Number**” has the meaning set forth in Section 4.03(b).

“**Section 4.03(c) Sale Number**” has the meaning set forth in Section 4.03(c).

“**Securities Act**” means the U.S. Securities Act of 1933, as amended, and any successor thereto, and any rules and regulations promulgated thereunder, all as the same shall be in effect from time to time.

“**Subsidiary**” means, when used with respect to any Person, (a) a corporation in which such Person or one or more Subsidiaries of such Person, directly or indirectly, owns capital stock having a majority of the total voting power in the election of directors of all outstanding shares of all classes and series of capital stock of such corporation entitled generally to vote in such election; and (b) any other Person (other than a corporation) in which such Person or one or more Subsidiaries of such Person, directly or indirectly, has (i) a majority ownership interest or (ii) the power to elect or direct the election of a majority of the members of the governing body of such first-named Person.

“**Valid Business Reason**” has the meaning set forth in Section 4.01(a)(iv).

“**WKSJ**” has the meaning set forth in Section 4.04.

Section 1.02. *Other Interpretive Provisions.*

(a) The meanings of defined terms are equally applicable to the singular and plural forms of the defined terms.

(b) The words “**hereof**,” “**herein**,” “**hereunder**” and similar words refer to this Agreement as a whole and not to any particular provision of this Agreement; and any subsection and Section references are to this Agreement unless otherwise specified.

(c) The term “**including**” is not limiting and means “**including without limitation**.”

(d) The captions and headings of this Agreement are for convenience of reference only and shall not affect the interpretation of this Agreement.

(e) Whenever the context requires, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms.

ARTICLE 2

REPRESENTATIONS AND WARRANTIES

Each of the Parties hereby represents and warrants, solely with respect to itself (and, in each case to the extent applicable in the case of Parties who are natural persons), to each other Party that:

Section 2.01. *Existence; Authority; Enforceability.* Such Party has the power and authority to enter into this Agreement and to carry out its obligations hereunder. Such Party is duly organized and validly existing under the laws of its jurisdiction of organization, and the execution of this Agreement, and the performance of its obligations hereunder, have been authorized by all Necessary Action, and no other act or proceeding on its part is necessary to authorize the execution of this Agreement or the performance of its obligations hereunder. This Agreement has been duly executed by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms except as the same may be affected by bankruptcy, insolvency, moratorium or similar laws, or by legal or equitable principles relating to or limiting the rights of contracting parties generally.

Section 2.02. *Absence of Conflicts.* The execution and delivery by such Party of this Agreement and the performance of its obligations hereunder does not (a) conflict with, or result in the breach of any provision of the constitutive documents of such Party; (b) result in any violation, breach, conflict, default or event of default (or an event which with notice, lapse of time, or both, would constitute a default or event of default), or give rise to any right of acceleration or termination or any additional payment obligation, under the terms of any contract, agreement or permit to which such Party is a party or by which such Party's assets or operations are bound or affected; or (c) violate any law applicable to such Party, except, in the case of clause (b), as would not have a material adverse effect on such Party's ability to perform its obligations hereunder.

Section 2.03. *Consents.* Other than as has already been obtained, no consent, waiver, approval, authorization, exemption, registration, license or declaration is required to be made or obtained by such Party in connection with the execution, delivery or performance of this Agreement, except in each case, as would not have a material adverse effect on such Party's ability to perform its obligations hereunder.

ARTICLE 3

GOVERNANCE

Section 3.01. *Board of Directors.*

(a) Effective as of the date of this Agreement, the Board of Directors shall be composed of five Directors, each of whom shall be a designee of Collectis and two of whom shall be "independent directors" pursuant to applicable listing standards, in each case in accordance with the Company's Governing Documents.

(b) From and after the date of this Agreement, so long as Collectis and its Affiliates Beneficially Own, in the aggregate, a number of Company Shares equal to at least 15% of the then outstanding Company Shares, Collectis shall have the right, but not the obligation, to nominate for the Board of Directors a number of designees equal to the greater of: (i) three designees and (ii) a majority of the Directors. In the event that at any time the number of designees of Collectis who are members of the Board of Directors is fewer than the total number of designees Collectis is entitled to nominate pursuant to this Section 3.01(b), Collectis shall have the right, at any time, to nominate such additional designees to which it is entitled, in which case the Company shall take, or cause to be taken, all Necessary Action to, (A) increase the size of the Board of Directors as required to enable Collectis to so nominate such additional designees and (B) appoint such additional designees nominated by Collectis to such newly created directorships. So long as Collectis and its Affiliates Beneficially Own, in the aggregate, a number of Company Shares equal to at least 15% of the then outstanding Company Shares, no change shall be made to the number of Directors on the Board of Directors without the prior approval of Collectis.

(c) The Company shall take all Necessary Action to cause the Board of Directors to be constituted as set forth in this Section 3.01 (including appointing or removing designees nominated by Collectis and filling any vacancies created by reason of death, disability, retirement, removal or resignation of the Collectis' designees with a new designee of Collectis). The Company agrees to include in the slate of nominees recommended by the Board of Directors and in the Company's proxy statement or notice of each meeting at which Directors are to be elected those persons designated pursuant to this Section 3.01 and to use its best efforts to cause the election or appointment of each such designee to the Board of Directors, including nominating such designees to be elected as Directors.

(d) Any nominee designated by Collectis pursuant to this Section 3.01 may be removed (with or without cause) from time to time and at any time by Collectis upon notice to the Company, and may otherwise only be removed for cause (subject to Collectis' rights under this Section 3.01 with respect to any vacancy created thereby).

(e) The Company shall enter into indemnification agreements and maintain Directors and Officers liability insurance for the benefit of each nominee of Collectis elected or appointed to the Board of Directors with respect to all periods during which such individual is a member of the Board of Directors, on terms, conditions and amounts substantially similar to the terms, conditions and amounts of the Company's current Directors and Officers liability insurance policy, and shall use commercially reasonable efforts to cause such indemnification and insurance to be maintained in full force and effect. The Company shall provide each such nominee with all benefits (including all fees and entitlements) on substantially the same terms and conditions as are provided to other members of the Board of Directors performing similar roles.

(f) The Company shall reimburse the designees of Collectis for all reasonable out-of-pocket expenses incurred in connection with their attendance at meetings of the Board of Directors and any committees thereof.

Section 3.02. *Chairman; Committees.*

(a) For so long as Collectis is entitled to nominate Directors for election to the Board of Directors pursuant to Section 3.01(b), Collectis shall have the right to designate the Director to serve in the role of Chairman of the Board of Directors and to have at least one of their designated Directors serve on each committee of the Board of Directors, to the extent such Directors are permitted to serve on such committees under SEC rules and applicable listing standards then in effect.

(b) The Company agrees to use its best efforts to cause the appointment of the Director designated by Collectis to serve in the role of Chairman and the Directors designated by Collectis to the committees of the Board of Directors in accordance with this Section 3.02.

Section 3.03. *Information; Duties.*

(a) For so long as Collectis and its Affiliates Beneficially Own, in the aggregate, a number of Company Shares equal to at least 15% of the then outstanding Company Shares, the Company agrees that (i) the Directors designated by Collectis may share confidential, non-public information about the Company with Collectis and its Affiliates and (ii) Collectis and its employees and other representatives and potential transferees of its Company Shares and their representatives shall have the right to consult with and advise senior management of the Company and to review the Company's books and records upon reasonable advance notice, in each case only to the extent reasonably necessary in connection with their investment in the Company, including any potential sales thereof, provided that such parties, potential transferees and their respective representatives agree to keep any such confidential, non-public information about the Company confidential (except as may be required by law or applicable listing standards then in effect) and agree to comply with all applicable securities laws in connection therewith.

(b) At any time during which the Company does not file reports with the SEC that contain (a) audited annual financial statements of the Company and (b) unaudited interim quarterly financial statements of the Company, the Company shall deliver to Collectis, within 10 days after the Company would have been required to file the relevant report with the SEC (as if the Company were a non-accelerated filer), consolidated balance sheets of the Company and the related consolidated statements of income, cash flows and stockholders equity, including footnotes, as of the end of each fiscal year and the end of each of the first three fiscal quarters in each fiscal year of the Company.

(c) The Company agrees that, notwithstanding anything to the contrary in any other agreement or at law or in equity, when Collectis or its Affiliates take any action under this Agreement (including in their respective capacities as Holders) to give or withhold consent, Collectis and such Affiliates shall, to the fullest extent permitted by law, have no duty to consider the interests of the Company or other Holders, if any, or any other stockholder of the Company and may act exclusively in their and their Affiliates' respective own interests; *provided, however*, that the foregoing shall in no way affect the obligations of the Parties to comply with the provisions of this Agreement.

Section 3.04. *Controlled Company.*

(a) For so long as the Company qualifies as a “controlled company” under the applicable listing standards then in effect, the Company will elect to be a “controlled company” for purposes of such applicable listing standards, and will disclose in its annual meeting proxy statement that it is a “controlled company” and the basis for that determination. The Company and Collectis acknowledge and agree that, as of the date of this Agreement, the Company is a “controlled company.” If the Company ceases to qualify as a “controlled company” under applicable listing standards then in effect, Collectis and the Company will take whatever action may be reasonably necessary, if any, to cause the Company to comply with SEC rules and applicable listing standards then in effect.

(b) After the Company ceases to qualify as a “controlled company” under applicable listing standards then in effect, Collectis shall cause a sufficient number of their designees to qualify as “independent directors” to ensure that the Board of Directors complies with such applicable listing standards in the time periods required by the applicable listing standards then in effect.

Section 3.05. *Collectis Reserved Matters.*

(a) For so long as Collectis and its Affiliates Beneficially Own, in the aggregate, a number of Company Shares equal to at least 50% of the then outstanding Company Shares, the following matters shall require the prior approval of Collectis:

(i) any modification to the Company’s or any future Subsidiary of the Company’s share capital (e.g., share capital increase or decrease) the creation of any Subsidiary, any grant of stock-based compensation, any distributions or public or private offering, merger, spin-off, liquidation, winding up or carve-out transactions;

(ii) the annual business plan and annual budget of the Company and any modification thereof;

(iii) any external growth transactions by the Company exceeding \$500,000 and not included in the approved annual business plan and annual budget of the Company;

(iv) any investment and disposition decisions of the Company exceeding \$500,000 and not included in the approved annual business plan and annual budget of the Company (it being understood that this excludes the purchase and sale of inventory as a part of the normal course of business);

(v) any related-party agreement or any agreement or transaction between the executives or stockholders of the Company, on the one hand, and the Company or any of its Subsidiaries, on the other hand;

(vi) any decision pertaining to the recruitment, dismissal or removal, or increase of the compensation of executives and corporate officers of the Company;

(vii) any material decision of the Company relating to material litigation of the Company;

(viii) any decision of the Company relating to the opening of a social or restructuring plan or pre-insolvency proceedings of the Company;

(ix) any buyback by the Company of Company Shares;

(x) any new borrowings or debts of the Company exceeding \$500,000 and early repayment of loans of the Company, if any (it being understood that Collectis will approve the entering into of contracts for revolving loans and other short-term loans and the repayment of such for financing general operating activities, such as revolving loans for inventory or factoring of receivables);

(xi) grants by the Company of any pledges on securities of the Company;

(xii) development of any new activities and businesses not described in the annual business plan and annual budget of the Company;

(xiii) entry by the Company into any material agreement or partnership; and

(xiv) any offshore and relocation activities.

(b) For so long as Collectis and its Affiliates Beneficially Own, in the aggregate, a number of Company Shares equal to at least 15% of the then outstanding Company Shares, the following matters shall require the prior approval of Collectis:

(i) any amendment to the Company's Governing Documents that would change:

(A) the name of the Company;

(B) the jurisdiction of incorporation of the Company;

(C) the location of the Company's principal executive offices;

(D) the purpose or purposes for which the Company is incorporated; or

(E) this Article 3;

(ii) any regular or special dividends to holders of the Company Shares;

(iii) the commencement of any voluntary, or the Company's consent to any, proceeding for the dissolution, winding up or bankruptcy of the Company or a material Subsidiary (or group of Subsidiaries that are collectively material) of the Company;

(iv) any public or private offering, merger, amalgamation or consolidation of the Company or the spinoff of a business of the Company or any sale, conveyance, transfer or other disposition of the Company's assets; and

(v) any appointment to the Board of Directors contrary to this Agreement or the Governing Documents.

ARTICLE 4

REGISTRATION RIGHTS

Section 4.01. *Registration.*

(a) *Demand Registrations.* If the Company shall receive from either Collectis or any other Holder or group of Holders holding at least 10% of the then outstanding Company Shares, in either case at any time beginning 180 days after the effective date of the registration statement filed in connection with the IPO (or such earlier time as agreed by the Company) a written request that the Company file a registration statement with respect to Registrable Securities (a "**Demand Registration Request**," and the registration so requested is referred to herein as a "**Demand Registration**," and the sender(s) of such request pursuant to this Agreement shall be known as the "**Initiating Holder(s)**"), then the Company shall, within five days of the receipt thereof, give written notice (the "**Demand Exercise Notice**") of such request to all other Holders, and subject to the limitations of this Section 4.01, use its reasonable best efforts to effect, as soon as practicable, the registration under the Securities Act (including by means of a shelf registration pursuant to Rule 415 thereunder if so requested and if the Company is then eligible to use such a registration) of all Registrable Securities that the Holders request to be registered. There is no limitation on the number of Demand Registrations pursuant to this Section 4.01 which the Company is obligated to effect. However, the Company shall not be obligated to take any action to effect any Demand Registration:

(i) within three months after a Demand Registration pursuant to this Section 4.01 that has been declared, ordered or become automatically effective;

(ii) during the period starting with the date 15 days prior to its good faith estimate of the date of filing of, and ending on a date 90 days after the effective date of, a Company-initiated registration (other than a registration relating solely to the sale of securities to employees of the Company pursuant to a stock option, stock purchase or similar plan or to an SEC Rule 145 transaction), *provided* that the Company is actively employing in good faith all reasonable efforts to cause such registration statement to become effective;

(iii) where the anticipated offering price, before any underwriting discounts or commissions, is equal to or less than \$25,000,000;

(iv) if the Company shall furnish to such Holders a certificate signed by the Chief Executive Officer of the Company stating that in the good faith judgment of the

Board of Directors, any registration of Registrable Securities should not be made or continued (or sales under a shelf registration statement should be suspended) because (i) such registration (or continued sales under a shelf registration statement) would materially interfere with a material financing, acquisition, corporate reorganization or merger or other material transaction or event involving the Company or any of its subsidiaries or (ii) the Company is in possession of material non-public information, the disclosure of which has been determined by the Board of Directors to not be in the Company's best interests (in either case, a "Valid Business Reason"), then (x) the Company may postpone filing a registration statement relating to a Demand Registration Request or suspend sales under an existing shelf registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board of Directors determines a Valid Business Reason exists and (y) in case a registration statement has been filed relating to a Demand Registration Request, if the Valid Business Reason has not resulted from actions taken by the Company, the Company may cause such registration statement to be withdrawn and its effectiveness terminated or may postpone amending or supplementing such registration statement until five Business Days after such Valid Business Reason no longer exists, but in no event for more than 90 days after the date the Board of Directors determines a Valid Business Reason exists; and the Company shall give written notice to the Participating Holders of its determination to postpone or withdraw a registration statement or suspend sales under a shelf registration statement and of the fact that the Valid Business Reason for such postponement, withdrawal or suspension no longer exists, in each case, promptly after the occurrence thereof; *provided, however*, that the Company shall not defer its obligation in this manner for more than a total of 90 days in any 12 month period; or

(v) in any particular jurisdiction in which the Company would be required to qualify to do business or to execute a general consent to service of process in effecting such registration, qualification or compliance.

If the Company shall give any notice of postponement, withdrawal or suspension of any registration statement pursuant to clause (iv) of this Section 4.01(a), the Company shall not, during the period of postponement, withdrawal or suspension, register any Company Shares, other than pursuant to a registration statement on Form S-4 or S-8 (or an equivalent registration form then in effect). Each Holder of Registrable Securities agrees that, upon receipt of any notice from the Company that the Company has determined to withdraw or suspend any registration statement pursuant to clause (iv) of this Section 4.01(a), such Holder will discontinue its disposition of Registrable Securities pursuant to such registration statement and, if so directed by the Company, will deliver to the Company (at the Company's expense) all copies, other than permanent file copies, then in such Holder's possession of the prospectus covering such Registrable Securities that was in effect at the time of receipt of such notice. If the Company shall have withdrawn or prematurely terminated a registration statement filed pursuant to a Demand Registration (whether pursuant to clause (iv) of this Section 4.01(a) or as a result of any stop order, injunction or other order or requirement of the SEC or any other governmental agency or court), the Company shall not be considered to have effected an effective registration for the purposes of this Agreement until the Company shall have filed a new

registration statement covering the Registrable Securities covered by the withdrawn registration statement and such registration statement shall have been declared effective and shall not have been withdrawn. If the Company shall give any notice of withdrawal, suspension or postponement of a registration statement, the Company shall, not later than five Business Days after the Valid Business Reason that caused such withdrawal, suspension or postponement no longer exists (but in no event later than 90 days after the date of the postponement, suspension or withdrawal), use its reasonable best efforts to effect the registration under the Securities Act of the Registrable Securities covered by the withdrawn, suspended or postponed registration statement in accordance with this Section 4.01 unless the Initiating Holders shall have withdrawn such request, in which case the Company shall not be considered to have effected an effective registration for the purposes of this Agreement), and such registration shall not be withdrawn, suspended or postponed pursuant to clause (iv) of this Section 4.01(a).

(b)

(i) The Company, subject to Sections 4.03 and 4.06, shall include in a Demand Registration (x) the Registrable Securities of the Initiating Holders and (y) the Registrable Securities of any other Holder of Registrable Securities, which shall have made a written request to the Company for inclusion in such registration pursuant to Section 4.02 (which request shall specify the maximum number of Registrable Securities intended to be disposed of by such Participating Holder) within 5 days after the receipt of the Demand Exercise Notice.

(ii) The Company shall, as expeditiously as possible, but subject to the limitations set forth in this Section 4.01, use its reasonable best efforts to (x) effect such registration under the Securities Act (including by means of a shelf registration pursuant to Rule 415 under the Securities Act if so requested and if the Company is then eligible to use such a registration) of the Registrable Securities which the Company has been so requested to register, for distribution in accordance with such intended method of distribution and (y) if requested by the Majority Participating Holders, obtain acceleration of the effective date of the registration statement relating to such registration.

(c) In connection with any Demand Registration, the Majority Participating Holders shall have the right to designate the lead managing underwriter (any lead managing underwriter for the purposes of this Agreement, the “**Manager**”) in connection with such registration and each other managing underwriter for such registration, in each case subject to consent of the Company, not be unreasonably withheld.

(d) If so requested by the Initiating Holder(s), the Company (together with all Holders proposing to distribute their securities through such underwriting) shall enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting in accordance with the terms of this Agreement.

(e) Any Holder that intends to sell Registrable Securities by means of a shelf registration pursuant to Rule 415 thereunder, shall give the Company two days' prior notice of any such sale.

Section 4.02. *Piggyback Registrations.*

(a) If, at any time or from time to time the Company will register or commence an offering of any of its securities for its own account or otherwise (other than pursuant to registrations on Form S-4 or Form S-8 or any similar successor forms thereto) (including but not limited to the registrations or offerings pursuant to Section 4.01), the Company will:

(i) promptly give to each Holder written notice thereof (in any event within five Business Days after the determination to pursue such offering); and

(ii) include in such registration and in any underwriting involved therein (if any), all the Registrable Securities specified in a written request or requests, made within 5 days after mailing or personal delivery of such written notice from the Company, by any of the Holders, except as set forth in Sections 4.02(b) and 4.02(f), with the securities which the Company at the time proposes to register or sell to permit the sale or other disposition by the Holders (in accordance with the intended method of distribution thereof) of the Registrable Securities to be so registered or sold, including, if necessary, by filing with the SEC a post-effective amendment or a supplement to the registration statement filed by the Company or the prospectus related thereto. There is no limitation on the number of such piggyback registrations pursuant to the preceding sentence which the Company is obligated to effect. No registration of Registrable Securities effected under this Section 4.02(a) shall relieve the Company of its obligations to effect Demand Registrations under Section 4.01 hereof.

(b) If the registration in this Section 4.02 involves an underwritten offering, the right of any Holder to include its Registrable Securities in a registration or offering pursuant to this Section 4.02 shall be conditioned upon such Holder's participation in the underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their Registrable Securities through such underwriting shall (together with the Company) enter into an underwriting agreement in customary form with the underwriter or underwriters selected for such underwriting (i) in the case of a primary offering, by the Company or (ii) in the case of an offering pursuant to Section 4.01, pursuant to Section 4.01(c).

(c) The Company, subject to 4.03 and 4.06, may elect to include in any registration statement and offering pursuant to any Demand Registration by any Holder, (i) authorized but unissued shares of Company Shares or Company Shares held by the Company as treasury shares and (ii) any other Company Shares which are requested to be included in such registration pursuant to the exercise of piggyback registration rights granted by the Company after the date hereof and which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement ("**Additional**

Piggyback Rights"); *provided, however*, that such inclusion shall be permitted only to the extent that it is pursuant to, and subject to, the terms of the underwriting agreement or arrangements, if any, entered into by the Initiating Holders.

(d) If, at any time after giving written notice of its intention to register or sell any equity securities and prior to the effective date of the registration statement filed in connection with such registration or sale of such equity securities, the Company shall determine for any reason not to register or sell or to delay registration or sale of such equity securities, the Company may, at its election, give written notice of such determination to all Holders of record of Registrable Securities and (i) in the case of a determination not to register or sell, shall be relieved of its obligation to register or sell any Registrable Securities in connection with such abandoned registration or sale, without prejudice, however, to the rights of Holders under Section 4.01, and (ii) in the case of a determination to delay such registration or sale of its equity securities, shall be permitted to delay the registration or sale of such Registrable Securities for the same period as the delay in registering such other equity securities.

(e) Notwithstanding anything contained herein to the contrary, the Company shall, at the request of any Holder, file any prospectus supplement or post-effective amendments and otherwise take any action necessary to include therein all disclosure and language deemed necessary or advisable by such Holder if such disclosure or language was not included in the initial registration statement, or revise such disclosure or language if deemed necessary or advisable by such Holder including filing a prospectus supplement naming the Holders, partners, members and shareholders to the extent required by law.

Section 4.03. Allocation of Securities Included in Registration Statement or Offering

(a) Subject to subsection (e) of this Section 4.03, but notwithstanding any other provision of this Agreement, in connection with an underwritten offering initiated by a Demand Registration Request, if the Manager advises the Initiating Holders in writing that marketing factors require a limitation of the number of shares to be underwritten (such number, the "**Section 4.03(a) Sale Number**") within a price range acceptable to the Majority Participating Holders, the Initiating Holders shall so advise all Holders of Registrable Securities that would otherwise be underwritten pursuant hereto, and the Company shall use its reasonable best efforts to include in such registration or offering, as applicable, the number of shares of Registrable Securities in the registration and underwriting as follows:

(i) first, all Registrable Securities requested to be included in such registration or offering by the Holders thereof (including pursuant to the exercise of piggyback rights pursuant to Section 4.02); *provided, however*, that if such number of Registrable Securities exceeds the Section 4.03(a) Sale Number, the number of such Registrable Securities (not to exceed the Section 4.03(a) Sale Number) to be included in such registration shall be allocated among all such Holders requesting inclusion thereof in proportion, as nearly as practicable, to the respective amounts of Registrable Securities held by such Holders at the time of filing of the registration statement or the time of the offering, as applicable;

(ii) second, if by the withdrawal of Registrable Securities by a Participating Holder, a greater number of Registrable Securities held by other Holders, may be included in such registration or offering (up to the Section 4.03(a) Sale Number), then the Company shall offer to all Holders who have included Registrable Securities in the registration or offering the right to include additional Registrable Securities in the same proportions as set forth in Section 4.03(a)(i);

(iii) third, to the extent that the number of Registrable Securities to be included pursuant to clause (i) and (ii) of this Section 4.03(a) is less than the Section 4.03(a) Sale Number, and if the underwriter so agrees, any securities that the Company proposes to register or sell, up to the Section 4.03(a) Sale Number; and

(iv) fourth, to the extent that the number of securities to be included pursuant to clauses (i), (ii) and (iii) of this Section 4.03(a) is less than the Section 4.03(a) Sale Number, the remaining securities to be included in such registration or offering shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration or offering pursuant to the exercise of Additional Piggyback Rights (“**Piggyback Shares**”), based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 4.03(a) Sale Number.

(b) Subject to subsection (e) of this Section 4.03, but notwithstanding any other provision of this Agreement, in a registration involving an underwritten offering on behalf of the Company, which was initiated by the Company, if the managing underwriter determines that marketing factors require a limitation of the number of shares to be underwritten (such number, the “**Section 4.03(b) Sale Number**”) the Company shall so advise all Holders whose securities would otherwise be registered and underwritten pursuant hereto, and the number of shares of Registrable Securities that may be included in the registration and underwriting shall be allocated as follows:

(i) first, all equity securities that the Company proposes to register for its own account;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 4.03(b) is less than the Section 4.03(b) Sale Number, among all Holders in proportion, as nearly as practicable, to the respective amounts of Registrable Securities requested for inclusion in such registration by Holders pursuant to Section 4.02 up to the Section 4.03(b) Sale Number; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 4.03(b) is less than the Section 4.03(b) Sale Number, the remaining securities to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such

registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 4.03(b) Sale Number.

(c) Subject to subsection (e) of this Section 4.03, if any registration pursuant to Section 4.02 involves an underwritten offering by any Person(s) (other than a Holder) to whom the Company has granted registration rights which are not inconsistent with the rights granted in, or otherwise conflict with the terms of, this Agreement, the managing underwriter (as selected by the Company or such other Person) shall advise the Company that, in its view, the number of securities requested to be included in such registration exceeds the number (the “**Section 4.03(c) Sale Number**”) that can be sold in an orderly manner in such registration within a price range acceptable to the Company, the Company shall include shares in such registration as follows:

(i) first, the shares requested to be included in such registration shall be allocated on a pro rata basis among such Person(s) requesting the registration and all Holders requesting that Registrable Securities be included in such registration pursuant to the exercise of piggyback rights pursuant to Section 4.02, based on the aggregate number of securities or Registrable Securities, as applicable, then owned by each of the foregoing requesting inclusion in relation to the aggregate number of securities or Registrable Securities, as applicable, owned by all such Holders and Persons requesting inclusion, up to the Section 4.03(c) Sale Number;

(ii) second, to the extent that the number of securities to be included pursuant to clause (i) of this Section 4.03(c) is less than the Section 4.03(c) Sale Number, the remaining shares to be included in such registration shall be allocated on a pro rata basis among all Persons requesting that securities be included in such registration pursuant to the exercise of Additional Piggyback Rights, based on the aggregate number of Piggyback Shares then owned by each Person requesting inclusion in relation to the aggregate number of Piggyback Shares owned by all Persons requesting inclusion, up to the Section 4.03(c) Sale Number; and

(iii) third, to the extent that the number of securities to be included pursuant to clauses (i) and (ii) of this Section 4.03(c) is less than the Section 4.03(c) Sale Number, the remaining shares to be included in such registration shall be allocated to shares the Company proposes to register for its own account, up to the Section 4.03(c) Sale Number.

(d) If any Holder of Registrable Securities disapproves of the terms of the underwriting, or if, as a result of the proration provisions set forth in clauses (a), (b) or (c) of this Section 4.03, any Holder shall not be entitled to include all Registrable Securities in a registration or offering that such Holder has requested be included, such Holder may elect to withdraw such Holder’s request to include Registrable Securities in such registration or offering or may reduce the number requested to be included; *provided, however*, that (x) such request must be made in writing, to the Company, Manager and, if applicable, the Initiating Holder(s), prior to the execution of the underwriting agreement

with respect to such registration and (y) such withdrawal or reduction shall be irrevocable and, after making such withdrawal or reduction, such Holder shall no longer have any right to include such withdrawn Registrable Securities in the registration as to which such withdrawal or reduction was made to the extent of the Registrable Securities so withdrawn or reduced.

Section 4.04. *Registration Procedures.* If and whenever the Company is required by the provisions of this Agreement to use its reasonable best efforts to effect or cause the registration of any Registrable Securities under the Securities Act as provided in this Agreement, the Company shall, as expeditiously as possible (but, in any event, within 60 days after a Demand Registration Request in the case of Section 4.04(a) below), in connection with the Registration of the Registrable Securities and, where applicable, a takedown off of a shelf registration statement:

(a) prepare and file with the SEC a registration statement on an appropriate registration form of the SEC for the disposition of such Registrable Securities in accordance with the intended method of disposition thereof, which registration form (i) shall be selected by the Company and (ii) shall, in the case of a shelf registration, be available for the sale of the Registrable Securities by the selling Holders thereof and such registration statement shall comply as to form in all material respects with the requirements of the applicable registration form and include all financial statements required by the SEC to be filed therewith, and the Company shall use its reasonable best efforts to cause such registration statement to become effective and remain continuously effective from the date such registration statement is declared effective until the earliest to occur (i) the first date as of which all of the Registrable Securities included in the registration statement have been sold or (ii) a period of 90 days in the case of an underwritten offering effected pursuant to a registration statement other than a shelf registration statement and a period of three years in the case of a shelf registration statement (*provided, however,* that before filing a registration statement or prospectus or any amendments or supplements thereto, or comparable statements under securities or state “blue sky” laws of any jurisdiction, or any free writing prospectus related thereto, the Company will furnish to one counsel for the Holders participating in the planned offering (selected by the Majority Participating Holders) and to one counsel for the Manager, if any, copies of all such documents proposed to be filed (including all exhibits thereto), which documents will be subject to the reasonable review and reasonable comment of such counsel (*provided* that the Company shall be under no obligation to make any changes suggested by the Holders), and the Company shall not file any registration statement or amendment thereto, any prospectus or supplement thereto or any free writing prospectus related thereto to which the Majority Participating Holders or the underwriters, if any, shall reasonably object);

(b) prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to keep such registration statement continuously effective for the period set forth in Section 4.04(a) and to comply with the provisions of the Securities Act with respect to the sale or other disposition of all Registrable Securities covered by such registration statement in accordance with the intended methods of disposition by the

seller or sellers thereof set forth in such registration statement (and, in connection with any shelf registration statement, file one or more prospectus supplements covering Registrable Securities upon the request of one or more Holders wishing to offer or sell Registrable Securities whether in an underwritten offering or otherwise);

(c) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the Manager of such offering;

(d) furnish, without charge, to each Participating Holder and each underwriter, if any, of the securities covered by such registration statement such number of copies of such registration statement, each amendment and supplement thereto (in each case including all exhibits), the prospectus included in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and each free writing prospectus utilized in connection therewith, in each case, in conformity with the requirements of the Securities Act, and other documents, as such seller and underwriter may reasonably request in order to facilitate the public sale or other disposition of the Registrable Securities owned by such seller (the Company hereby consenting to the use in accordance with all applicable law of each such registration statement (or amendment or post-effective amendment thereto) and each such prospectus (or preliminary prospectus or supplement thereto) or free writing prospectus by each such Participating Holder and the underwriters, if any, in connection with the offering and sale of the Registrable Securities covered by such registration statement or prospectus);

(e) use its reasonable best efforts to register or qualify the Registrable Securities covered by such registration statement under such other securities or state "blue sky" laws of such jurisdictions as any sellers of Registrable Securities or any managing underwriter, if any, shall reasonably request in writing, and do any and all other acts and things which may be reasonably necessary or advisable to enable such sellers or underwriter, if any, to consummate the disposition of the Registrable Securities in such jurisdictions (including keeping such registration or qualification in effect for so long as such registration statement remains in effect), except that in no event shall the Company be required to qualify to do business as a foreign corporation in any jurisdiction where it would not, but for the requirements of this paragraph (e), be required to be so qualified, to subject itself to taxation in any such jurisdiction or to consent to general service of process in any such jurisdiction;

(f) promptly notify each Participating Holder and each managing underwriter, if any: (i) when the registration statement, any pre-effective amendment, the prospectus or any prospectus supplement related thereto, any post-effective amendment to the registration statement or any free writing prospectus has been filed and, with respect to the registration statement or any post-effective amendment, when the same has become effective; (ii) of any request by the SEC or state securities authority for amendments or supplements to the registration statement or the prospectus related thereto or for additional information; (iii) of the issuance by the SEC of any stop order suspending the effectiveness of the registration statement or the initiation of any proceedings for that

purpose; (iv) of the receipt by the Company of any notification with respect to the suspension of the qualification of any Registrable Securities for sale under the securities or state “blue sky” laws of any jurisdiction or the initiation of any proceeding for such purpose; (v) of the existence of any fact of which the Company becomes aware which results in the registration statement or any amendment thereto, the prospectus related thereto or any supplement thereto, any document incorporated therein by reference, any free writing prospectus or the information conveyed to any purchaser at the time of sale to such purchaser containing an untrue statement of a material fact or omitting to state a material fact required to be stated therein or necessary to make any statement therein not misleading; and (vi) if at any time the representations and warranties contemplated by any underwriting agreement, securities sale agreement, or other similar agreement, relating to the offering shall cease to be true and correct in all material respects; and, if the notification relates to an event described in clause (v), the Company shall promptly prepare and furnish to each such seller and each underwriter, if any, a reasonable number of copies of a prospectus supplemented or amended so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein in the light of the circumstances under which they were made not misleading;

(g) comply (and continue to comply) with all applicable rules and regulations of the SEC (including maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)) in accordance with the Exchange Act), and make generally available to its security holders, as soon as reasonably practicable after the effective date of the registration statement (and in any event within 45 days, or 90 days if it is a fiscal year, after the end of such 12 month period described hereafter), an earnings statement (which need not be audited) covering the period of at least 12 consecutive months beginning with the first day of the Company’s first fiscal quarter after the effective date of the registration statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder;

(h) (i)(A) cause all such Registrable Securities covered by such registration statement to be listed on the principal securities exchange on which similar securities issued by the Company are then listed (if any), if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (B) if no similar securities are then so listed, to cause all such Registrable Securities to be listed on a national securities exchange and, without limiting the generality of the foregoing, take all actions that may be required by the Company as the issuer of such Registrable Securities in order to facilitate the managing underwriter’s arranging for the registration of at least two market makers as such with respect to such shares with FINRA, and (ii) comply (and continue to comply) with the requirements of any self-regulatory organization applicable to the Company, including all corporate governance requirements;

(i) provide and cause to be maintained a transfer agent and registrar for all such Registrable Securities covered by such registration statement not later than the effective date of such registration statement;

(j) enter into such customary agreements (including, if applicable, an underwriting agreement) and take such other actions as the Majority Participating Holders or the underwriters shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities (it being understood that the Holders of the Registrable Securities which are to be distributed by any underwriters shall be parties to any such underwriting agreement and may, at their option, require that the Company make to and for the benefit of such Holders the representations, warranties and covenants of the Company which are being made to and for the benefit of such underwriters);

(k) use its reasonable best efforts (i) to obtain an opinion from the Company's counsel and a comfort letter and updates thereof from the Company's independent public accountants who have certified the Company's financial statements included or incorporated by reference in such registration statement, in each case, in customary form and covering such matters as are customarily covered by such opinions and comfort letters (including, in the case of such comfort letter, events subsequent to the date of such financial statements) delivered to underwriters in underwritten public offerings, which opinion and letter shall be dated the dates such opinions and comfort letters are customarily dated and otherwise reasonably satisfactory to the underwriters, if any, and to the Majority Participating Holders, and (ii) furnish to each Holder participating in the offering and to each underwriter, if any, a copy of such opinion and letter addressed to such underwriter;

(l) deliver promptly to counsel for each Participating Holder and to each managing underwriter, if any, copies of all correspondence between the SEC and the Company, its counsel or auditors and all memoranda relating to discussions with the SEC or its staff with respect to the registration statement, and, upon receipt of such confidentiality agreements as the Company may reasonably request, make reasonably available for inspection by counsel for each Participating Holder, by counsel for any underwriter, participating in any disposition to be effected pursuant to such registration statement and by any accountant or other agent retained by any Participating Holder or any such underwriter, all pertinent financial and other records, pertinent corporate documents and properties of the Company, and cause all of the Company's officers, directors and employees to supply all information reasonably requested by any such counsel for a Participating Holder, counsel for an underwriter, accountant or agent in connection with such registration statement;

(m) use its reasonable best efforts to obtain the prompt withdrawal of any order suspending the effectiveness of the registration statement, or the prompt lifting of any suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction;

(n) provide a CUSIP number for all Registrable Securities, not later than the effective date of the registration statement;

(o) use its best efforts to make available its employees and personnel for participation in "road shows" and other marketing efforts and otherwise provide reasonable assistance to the underwriters (taking into account the needs of the Company's businesses and the requirements of the marketing process) in marketing the Registrable Securities in any underwritten offering;

(p) prior to the filing of any document which is to be incorporated by reference into the registration statement or the prospectus (after the initial filing of such registration statement), and prior to the filing of any free writing prospectus, provide copies of such document to counsel for each Participating Holder and to each managing underwriter, if any, and make the Company's representatives reasonably available for discussion of such document and make such changes in such document concerning the Participating Holders prior to the filing thereof as counsel for the Participating Holders or underwriters may reasonably request;

(q) furnish to counsel for each Participating Holder and to each managing underwriter, without charge, at least one signed copy of the registration statement and any post-effective amendments or supplements thereto, including financial statements and schedules, all documents incorporated therein by reference, the prospectus contained in such registration statement (including each preliminary prospectus and any summary prospectus), any other prospectus filed under Rule 424 under the Securities Act and all exhibits (including those incorporated by reference) and any free writing prospectus utilized in connection therewith;

(r) cooperate with the Participating Holders and the managing underwriter, if any, to facilitate the timely preparation and delivery of certificates not bearing any restrictive legends representing the Registrable Securities to be sold, and cause such Registrable Securities to be issued in such denominations and registered in such names in accordance with the underwriting agreement at least three Business Days prior to any sale of Registrable Securities to the underwriters or, if not an underwritten offering, in accordance with the instructions of the Participating Holders at least three Business Days prior to any sale of Registrable Securities and instruct any transfer agent and registrar of Registrable Securities to release any stop transfer orders in respect thereof;

(s) cooperate with any due diligence investigation by any Manager, underwriter or Participating Holder and make available such documents and records of the Company and its Subsidiaries that they reasonably request (which, in the case of the Participating Holder, may be subject to the execution by the Participating Holder of a customary confidentiality agreement in a form which is reasonably satisfactory to the Company);

(t) take no direct or indirect action prohibited by Regulation M under the Exchange Act;

(u) take all such other commercially reasonable actions as are necessary or advisable in order to expedite or facilitate the disposition of such Registrable Securities;

(v) take all reasonable action to ensure that any free writing prospectus utilized in connection with any registration covered by Section 4.01 or 4.02 complies in all material respects with the Securities Act, is filed in accordance with the Securities Act

to the extent required thereby, is retained in accordance with the Securities Act to the extent required thereby and, when taken together with the related prospectus, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(w) in connection with any underwritten offering, if at any time the information conveyed to a purchaser at the time of sale includes any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, promptly file with the SEC such amendments or supplements to such information as may be necessary so that the statements as so amended or supplemented will not, in light of the circumstances, be misleading.

To the extent the Company is a well-known seasoned issuer (as defined in Rule 405 under the Securities Act) (a “**WKSI**”) at the time any Demand Registration Request is submitted to the Company, and such Demand Registration Request requests that the Company file an automatic shelf registration statement (as defined in Rule 405 under the Securities Act) (an “**automatic shelf registration statement**”) on Form S-3, the Company shall file an automatic shelf registration statement which covers those Registrable Securities which are requested to be registered. The Company shall use its reasonable best efforts to remain a WKSI (and not become an ineligible issuer (as defined in Rule 405 under the Securities Act)) during the period during which the Registrable Securities remain Registrable Securities. If the Company does not pay the filing fee covering the Registrable Securities at the time the automatic shelf registration statement is filed, the Company agrees to pay such fee at such time or times as the Registrable Securities are to be sold. If the automatic shelf registration statement has been outstanding for at least three years, at the end of the third year the Company shall refile a new automatic shelf registration statement covering the Registrable Securities. If at any time when the Company is required to re-evaluate its WKSI status the Company determines that it is not a WKSI, the Company shall use its reasonable best efforts to refile the shelf registration statement on Form S-3 and, if such form is not available, Form S-1 and keep such registration statement effective during the period during which such registration statement is required to be kept effective.

If the Company files any shelf registration statement for the benefit of the holders of any of its securities other than the Holders, the Company agrees that it shall include in such registration statement such disclosures as may be required by Rule 430B under the Securities Act (referring to the unnamed selling security holders in a generic manner by identifying the initial offering of the securities to the Holders) in order to ensure that the Holders may be added to such shelf registration statement at a later time through the filing of a prospectus supplement rather than a post-effective amendment.

It shall be a condition precedent to the obligations of the Company to take any action pursuant to Sections 4.01, 4.02 or 4.04 that each Participating Holder shall furnish to the Company such information regarding themselves, the Registrable Securities held by them, and the intended method of disposition of such securities as the Company may from time to time reasonably request so long as such information is necessary for the Company to consummate such registration and shall be used only in connection with such registration.

If any such registration statement or comparable statement under state “blue sky” laws refers to any Holder by name or otherwise as the Holder of any securities of the Company, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance satisfactory to such Holder and the Company, to the effect that the holding by such Holder of such securities is not to be construed as a recommendation by such Holder of the investment quality of the Company’s securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Company, or (ii) in the event that such reference to such Holder by name or otherwise is not in the judgment of the Company, as advised by counsel, required by the Securities Act or any similar federal statute or any state “blue sky” or securities law then in force, the deletion of the reference to such Holder.

Section 4.05. *Registration Expenses.* All Expenses incurred in connection with any registration, filing, qualification or compliance pursuant to Article 4 shall be borne by the Company, whether or not a registration statement becomes effective. All underwriting discounts and all selling commissions relating to securities registered by the Holders shall be borne by the holders of such securities pro rata in accordance with the number of shares sold in the offering by such Participating Holder.

Section 4.06. *Certain Limitations on Registration Rights.* In the case of any registration under Section 4.01 pursuant to an underwritten offering, or, in the case of a registration under Section 4.02, all securities to be included in such registration shall be subject to the underwriting agreement and no Person may participate in such registration or offering unless such Person (i) agrees to sell such Person’s securities on the basis provided therein and completes and executes all reasonable questionnaires, and other documents (including custody agreements and powers of attorney) which must be executed in connection therewith; *provided, however*, that all such documents shall be consistent with the provisions hereof, and (ii) provides such other information to the Company or the underwriter as may be necessary to register such Person’s securities.

Section 4.07. *Limitations on Sale or Distribution of Other Securities.*

(a) Each Holder and Non-Collectis Holder agrees, (i) to the extent requested in writing by a managing underwriter, if any, of any registration effected pursuant to Section 4.01, not to sell, transfer or otherwise dispose of, including any sale pursuant to Rule 144 under the Securities Act, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering) during the time period reasonably requested by the managing underwriter, not to exceed 90 days, and (ii) to the extent requested in writing by a managing underwriter of any underwritten public offering effected by the Company for its own account, not to sell any Company Shares (other than as part of such underwritten public offering) during the time

period reasonably requested by the managing underwriter, which period shall not exceed 90 days; and, if so requested, each Holder and Non-Collectis Holder agrees to enter into a customary lock-up agreement with such managing underwriter.

(b) The Company hereby agrees that, if it shall previously have received a request for registration pursuant to Section 4.01 or 4.02, and if such previous registration shall not have been withdrawn or abandoned, the Company shall not sell, transfer, or otherwise dispose of, any Company Shares, or any other equity security of the Company or any security convertible into or exchangeable or exercisable for any equity security of the Company (other than as part of such underwritten public offering, a registration on Form S-4 or Form S-8 or any successor or similar form which is (x) then in effect or (y) shall become effective upon the conversion, exchange or exercise of any then outstanding Company Shares Equivalent), until a period of 90 days shall have elapsed from the effective date of such previous registration; and the Company shall (i) so provide in any registration rights agreements hereafter entered into with respect to any of its securities and (ii) use its reasonable best efforts to cause each holder of any equity security or any security convertible into or exchangeable or exercisable for any equity security of the Company purchased from the Company at any time other than in a public offering to so agree.

Section 4.08. *No Required Sale.* Nothing in this Agreement shall be deemed to create an independent obligation on the part of any Holder to sell any Registrable Securities pursuant to any effective registration statement.

Section 4.09. *Indemnification.*

(a) In the event of any registration and/or offering of any securities of the Company under the Securities Act pursuant to this Article 4, the Company will, and hereby agrees to, and hereby does, indemnify and hold harmless, to the fullest extent permitted by law, each Holder, its directors, officers, fiduciaries, employees, shareholders, members or general and limited partners (and the directors, officers, fiduciaries, employees, shareholders, members or general and limited partners thereof), any underwriter (as defined in the Securities Act) for such Holder and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or Exchange Act, from and against any and all losses, claims, damages or liabilities, joint or several, actions or proceedings (whether commenced or threatened) and expenses (including reasonable fees of counsel and any amounts paid in any settlement effected with the Company's consent, which consent shall not be unreasonably withheld or delayed) to which each such indemnified party may become subject under the Securities Act or otherwise in respect thereof (collectively, "**Claims**"), insofar as such Claims arise out of or are based upon (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement under which such securities were registered under the Securities Act or the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary or final prospectus or any amendment or supplement thereto, together with the documents incorporated by reference therein, or any free

writing prospectus utilized in connection therewith, or the omission or alleged omission to state therein a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, (iii) any untrue statement or alleged untrue statement of a material fact in the information conveyed by the Company to any purchaser at the time of the sale to such purchaser, or the omission or alleged omission to state therein a material fact required to be stated therein, or (iv) any violation by the Company of any federal, state or common law rule or regulation applicable to the Company and relating to action required of or inaction by the Company in connection with any such registration, and the Company will reimburse any such indemnified party for any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim as such expenses are incurred; *provided, however*, that the Company shall not be liable to any such indemnified party in any such case to the extent such Claim arises out of or is based upon any untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in such registration statement or amendment thereof or supplement thereto or in any such prospectus or any preliminary or final prospectus or free writing prospectus in reliance upon and in conformity with written information furnished to the Company by or on behalf of such indemnified party specifically for use therein. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such seller.

(b) Each Participating Holder shall, severally and not jointly, indemnify and hold harmless (in the same manner and to the same extent as set forth in paragraph (a) of this Section 4.09) to the extent permitted by law the Company, its officers and directors, each Person controlling the Company within the meaning of the Securities Act, each underwriter (within the meaning of the Securities Act) of the Company's securities covered by such a registration statement, any Person who controls such underwriter, and any other Holder selling securities in such registration statement and each of its directors, officers, partners or agents or any Person who controls such Holder with respect to any untrue statement or alleged untrue statement of any material fact in, or omission or alleged omission of any material fact from, such registration statement, any preliminary or final prospectus contained therein, or any amendment or supplement thereto, or any free writing prospectus utilized in connection therewith, if such statement or alleged statement or omission or alleged omission was made in reliance upon and in conformity with written information furnished to the Company or its representatives by or on behalf of such Participating Holder, specifically for use therein and reimburse such indemnified party for any legal or other expenses reasonably incurred in connection with investigating or defending any such Claim as such expenses are incurred; *provided, however*, that the aggregate amount which any such Participating Holder shall be required to pay pursuant to this Sections 4.09(b), 4.09(c) and 4.09(e) shall in no case be greater than the amount of the net proceeds actually received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim. The Company and each Participating Holder hereby acknowledge and agree that, unless otherwise expressly agreed to in writing by such Participating Holders to the contrary, for all purposes of this Agreement, the only information furnished or to be furnished to the Company for use in any such registration statement, preliminary or final prospectus or

amendment or supplement thereto or any free writing prospectus are statements specifically relating to (a) the beneficial ownership of Company Shares by such Participating Holder and its Affiliates and (b) the name and address of such Participating Holder. Such indemnity and reimbursement of expenses shall remain in full force and effect regardless of any investigation made by or on behalf of such indemnified party and shall survive the transfer of such securities by such Holder.

(c) Indemnification similar to that specified in the preceding paragraphs (a) and (b) of this Section 4.09 (with appropriate modifications) shall be given by the Company and each Participating Holder with respect to any required registration or other qualification of securities under any applicable securities and state “blue sky” laws.

(d) Any Person entitled to indemnification under this Agreement shall notify promptly the indemnifying party in writing of the commencement of any action or proceeding with respect to which a claim for indemnification may be made pursuant to this Section 4.09, but the failure of any indemnified party to provide such notice shall not relieve the indemnifying party of its obligations under the preceding paragraphs of this Section 4.09, except to the extent the indemnifying party is materially and actually prejudiced thereby and shall not relieve the indemnifying party from any liability which it may have to any indemnified party otherwise than under this Article 4. In case any action or proceeding is brought against an indemnified party, the indemnifying party shall be entitled to (x) participate in such action or proceeding and (y) unless, in the reasonable opinion of outside counsel to the indemnified party, a conflict of interest between such indemnified and indemnifying parties may exist in respect of such claim, assume the defense thereof jointly with any other indemnifying party similarly notified, with counsel reasonably satisfactory to such indemnified party. The indemnifying party shall promptly notify the indemnified party of its decision to assume the defense of such action or proceeding. If, and after, the indemnified party has received such notice from the indemnifying party, the indemnifying party shall not be liable to such indemnified party for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense of such action or proceeding other than reasonable costs of investigation; *provided, however*, that (i) if the indemnifying party fails to take reasonable steps necessary to defend diligently the action or proceeding within 20 days after receiving notice from such indemnified party that the indemnified party believes it has failed to do so; (ii) if such indemnified party who is a defendant in any action or proceeding which is also brought against the indemnifying party reasonably shall have concluded that there may be one or more legal or equitable defenses available to such indemnified party which are not available to the indemnifying party or which may conflict with those available to another indemnified party with respect to such Claim; or (iii) if representation of both parties by the same counsel is otherwise inappropriate under applicable standards of professional conduct, then, in any such case, the indemnified party shall have the right to assume or continue its own defense as set forth above (but with no more than one firm of counsel for all indemnified parties in each jurisdiction, except to the extent any indemnified party or parties reasonably shall have made a conclusion described in clause (ii) or (iii) above) and the indemnifying party shall be liable for any expenses therefor. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry

of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim), unless such settlement or compromise (i) includes an unconditional release of such indemnified party from all liability on any claims that are the subject matter of such action or claim and (ii) does not include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an indemnified party. The indemnity obligations contained in Sections 4.09(a) and 4.09(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the indemnified party which consent shall not be unreasonably withheld.

(e) If for any reason the foregoing indemnity is held by a court of competent jurisdiction to be unavailable to an indemnified party under Section 4.09(a), (b) or (c), then each applicable indemnifying party shall contribute to the amount paid or payable to such indemnified party as a result of any Claim in such proportion as is appropriate to reflect the relative fault of the indemnifying party, on the one hand, and the indemnified party, on the other hand, with respect to such Claim as well as any other relevant equitable considerations. The relative fault shall be determined by a court of law by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or the indemnified party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. If, however, the allocation provided in the second preceding sentence is not permitted by applicable law, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative faults but also the relative benefits of the indemnifying party and the indemnified party as well as any other relevant equitable considerations. The parties hereto agree that it would not be just and equitable if any contribution pursuant to this Section 4.09(e) were to be determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the preceding sentences of this Section 4.09(e). The amount paid or payable in respect of any Claim shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such Claim. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11 (f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation. Notwithstanding anything in this Section 4.09(e) to the contrary, no indemnifying party (other than the Company) shall be required pursuant to this Section 4.09(e) to contribute any amount greater than the amount of the net proceeds actually received by such indemnifying party upon the sale of the Registrable Securities pursuant to the registration statement giving rise to such Claim, less the amount of any indemnification payment made by such indemnifying party pursuant to Sections 4.09(b) and 4.09(c).

(f) The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract (except as set forth in subsection (h) below) and shall remain operative and in full force and effect regardless of any investigation

made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party and the completion of any offering of Registrable Securities in a registration statement.

(g) The indemnification and contribution required by this Section 4.09 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred; *provided, however*, that the recipient thereof hereby undertakes to repay such payments if and to the extent it shall be determined by a court of competent jurisdiction that such recipient is not entitled to such payment hereunder.

(h) If a customary underwriting agreement shall be entered into in connection with any registration pursuant to Section 4.01 or 4.02, the indemnity, contribution and related provisions set forth therein shall supersede the indemnification and contribution provisions set forth in this Section 4.09.

Section 4.10. *Underwritten Offerings.*

(a) *Requested Underwritten Offerings.* If the Initiating Holders request an underwritten offering pursuant to a registration under Section 4.01 (pursuant to a request for a registration statement to be filed in connection with a specific underwritten offering or a request for a shelf takedown in the form of an underwritten offering), the Company shall enter into a customary underwriting agreement with the underwriters. Such underwriting agreement shall (i) be satisfactory in form and substance to the Majority Participating Holders, (ii) contain terms not inconsistent with the provisions of this Agreement and (iii) contain such representations and warranties by, and such other agreements on the part of, the Company and such other terms as are generally prevailing in agreements of that type, including indemnities and contribution agreements on substantially the same terms as those contained herein (it being understood that an underwriting agreement in substantially the form of the underwriting agreement for the IPO shall be deemed to satisfy the foregoing requirements). Any Participating Holder shall be a party to such underwriting agreement and may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided, however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement (as set forth in the penultimate sentence of Section 4.09(b) of this Agreement). Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than customary representations, warranties or agreements regarding such Participating Holder, its ownership of, and title to, the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement and its intended method of distribution; and any liability of such Participating Holder to the Company, any underwriter or other Person under such underwriting agreement shall be

limited to the amount of the net proceeds received by such Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder (as set forth in the penultimate sentence of Section 4.09(b) of this Agreement).

(b) *Piggyback Underwritten Offerings*. In the case of a registration pursuant to Section 4.02 which involves an underwritten offering, the Company shall enter into an underwriting agreement in connection therewith and all of the Participating Holders' Registrable Securities to be included in such registration shall be subject to such underwriting agreement. Any Participating Holder may, at its option, require that any or all of the representations and warranties by, and the other agreements on the part of, the Company to and for the benefit of such underwriters shall also be made to and for the benefit of such Participating Holder and that any or all of the conditions precedent to the obligations of such underwriters under such underwriting agreement be conditions precedent to the obligations of such Participating Holder; *provided, however*, that the Company shall not be required to make any representations or warranties with respect to written information specifically provided by a Participating Holder for inclusion in the registration statement. Each such Participating Holder shall not be required to make any representations or warranties to or agreements with the Company or the underwriters other than customary representations, warranties or agreements regarding such Participating Holder, its ownership of, and title to, the Registrable Securities, any written information specifically provided by such Participating Holder for inclusion in the registration statement (as set forth in the penultimate sentence of Section 4.09(b) of this Agreement) and its intended method of distribution; and any liability of such Participating Holder to any underwriter or other Person under such underwriting agreement shall be limited to the amount of the net proceeds received by such Participating Holder upon the sale of the Registrable Securities pursuant to the registration statement and shall be limited to liability for written information specifically provided by such Participating Holder (as set forth in the penultimate sentence of Section 4.09(b) of this Agreement).

Section 4.11. *Adjustments Affecting Registrable Securities*. The provisions of this Article 4 shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company or any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) or any Subsidiary of the Company which may be issued in respect of, in exchange for or in substitution of, Registrable Securities and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

Section 4.12. *Rule 144 and Rule 144A*. If the Company shall have filed a registration statement pursuant to the requirements of Section 12 of the Exchange Act or a registration statement pursuant to the requirements of the Securities Act in respect of the Company Shares or Company Shares Equivalents, the Company covenants that (i) so long as it remains subject to the reporting provisions of the Exchange Act, it will timely file the reports required to be filed by it under the Securities Act or the Exchange Act (including, but not limited to, the reports under Sections 13 and 15(d) of the Exchange Act referred to in subparagraph (c)(1) of Rule 144 under the Securities Act, as such Rule

may be amended (“**Rule 144**”) or, if the Company is not required to file such reports, it will, upon the request of any Holder, make publicly available other information so long as necessary to permit sales by such Holder under Rule 144, Rule 144A under the Securities Act, as such Rule may be amended (“**Rule 144A**”), or any similar rules or regulations hereafter adopted by the SEC, and (ii) it will take such further action as any Holder may reasonably request, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144, (B) Rule 144A or (C) any similar rule or regulation hereafter adopted by the SEC. Upon the request of any Holder of Registrable Securities, the Company will deliver to such Holder a written statement by the Company that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act (at any time after it has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after it so qualifies), a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company and such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC which permits the selling of any such securities without registration or pursuant to such form.

Section 4.13. *Limitations on Subsequent Registration Rights.* From and after the effective date of the first registration statement filed by the Company for the offering of its securities to the general public, the Company may, without the prior written consent of the Holders or the Non-Collectis Holders, enter into any agreement with any holder or prospective holder of any securities of the Company which provides such holder or prospective holder of securities of the Company comparable, but not more favorable or conflicting (including conflicting with any priorities set forth in Section 4.03), information and registration rights granted to the Holders hereby.

ARTICLE 5 TRANSFERS OF SHARES

Section 5.01. *Rights and Obligations of Permitted Transferees.*

(a) Any Permitted Transferee of a Holder may elect to become party to this Agreement and, upon execution and delivery of a customary joinder agreement, shall be considered a Party hereto and be treated as a Holder for all purposes of this Agreement.

(b) Notwithstanding the foregoing, Section 5.01(a) shall not apply to any Transfer of Company Shares to a Permitted Transferee completed pursuant to (i) a registration statement, (ii) an underwritten registered public offering or (iii) a bona fide sale pursuant to a brokers’ transaction, transaction directly with a market maker or riskless principal transaction in each case in accordance with Rule 144 under the Securities Act (including block trades), in each case for which the transferor does not have knowledge that such Company Shares are being transferred to a Permitted Transferee.

ARTICLE 6

GENERAL PROVISIONS

Section 6.01. *Further Assurances.* The Parties shall take all Necessary Action in order to give full effect to this Agreement and every provision hereof. Each of the Company, the Holders and the Non-Collectis Holders shall take or cause to be taken all lawful action necessary to ensure at all times that the Company's Governing Documents are not at any time inconsistent with the provisions of this Agreement. In addition, each Party shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments, and documents as any other Party reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement.

Section 6.02. *Assignment; Benefit.* The rights and obligations hereunder of the Parties shall not be assigned without the prior written consent of Collectis, Calyxt and any Permitted Transferee who becomes a Party pursuant to Article 5, except in connection with a transfer of Company Shares in compliance with Article 5. In addition, the registration rights set forth in Article 4 may only be assigned in connection with a transfer of at least 10% of the then outstanding Company Shares. Any assignment of rights or obligations in violation of this Section 6.02 shall be null and void. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and their respective successors and permitted assigns.

Section 6.03. *Pledges.* Upon the request of Collectis to pledge, hypothecate or grant security interests in any or all of the Company Shares held by it, including to banks or financial institutions as collateral or security for loans, advances or extensions of credit, the Company agrees to cooperate with Collectis in taking action reasonably necessary to consummate any such pledge, hypothecation or grant, including delivery of letter agreements to lenders in form and substance reasonably satisfactory to such lenders (which may include agreements by the Company in respect of the exercise of remedies by such lenders) and instructing the transfer agent to transfer any such Company Shares subject to the pledge, hypothecation or grant into the facilities of The Depository Trust Company without restricted legends.

Section 6.04. *Termination.* This Agreement shall terminate on the date on which Collectis and its Affiliates no longer Beneficially Own, in the aggregate, a number of Company Shares equal to at least 10% of the then outstanding Company Shares, unless Collectis has made a transfer of Company Shares to a Person satisfying the definition of Permitted Transferee who has become a party to this Agreement, in which case this Agreement shall terminate on the date on which such Person no longer Beneficially Owns in the aggregate a number of Company Shares equal to at least 10% of the then outstanding Company Shares.

Section 6.05. *Severability.* In the event that any provision of this Agreement shall be invalid, illegal or unenforceable, such provision shall be construed by limiting it so as to be valid, legal and enforceable to the maximum extent provided by law and the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby.

Section 6.06. *Entire Agreement.* This Agreement, the Governing Documents and the other agreements referenced herein and therein constitute the entire agreement among the Parties with respect to the subject matter hereof, and supersede any prior agreement or understanding among them with respect to the matters referred to herein.

Section 6.07. *Amendment.* The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Agreement may not be given without the written consent of the Company and holders of a majority of the Registrable Securities; *provided, however*, that in no event shall the obligations of any holder of Registrable Securities be increased or the rights of any Holder be adversely affected (without similarly increasing or adversely affecting the rights of all Holders), except upon the written consent of such Holder. Notwithstanding the foregoing, a waiver or consent to depart from the provisions hereof with respect to a matter that relates exclusively to the rights of Holders of Registrable Securities whose securities are being sold pursuant to a registration statement and that does not directly or indirectly affect the rights of other Holders of Registrable Securities may be given by holders of at least a majority of the Registrable Securities being sold by such Holders pursuant to such registration statement.

Section 6.08. This Agreement may not be amended, modified, supplemented, waived or terminated (other than pursuant to Section 6.04) except with the written consent of Collectis; *provided* that, any amendment, modification, supplement, waiver or termination that adversely affects the rights of the Company under this Agreement, imposes additional obligations on the Company, or amends or modifies Section 3.01, Section 3.02, Article 6, and any corresponding definitions in Article 1, will require both (i) the written consent of Collectis and (ii) the written consent of the Company with the approval of the “independent directors” of the Company.

Section 6.09. *Waiver.* Except as set forth in Section 6.08, no waiver of any breach of any of the terms of this Agreement shall be effective unless such waiver is expressly made in writing and executed and delivered by the Party against whom such waiver is claimed. Waiver by any Party of any breach or default by any other Party of any of the terms of this Agreement shall not operate as a waiver of any other breach or default, whether similar to or different from the breach or default waived. No waiver of any provision of this Agreement shall be implied from any course of dealing between the Parties or from any failure by any Party to assert its or his or her rights hereunder on any occasion or series of occasions.

Section 6.10. *Counterparts.* This Agreement may be executed in any number of separate counterparts each of which when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.

Section 6.11. *Notices.* Unless otherwise specified herein, all notices, consents, approvals, reports, designations, requests, waivers, elections and other communications

authorized or required to be given pursuant to this Agreement shall be in writing and shall be given, made or delivered (and shall be deemed to have been duly given, made or delivered upon receipt) by personal hand-delivery, by facsimile transmission, by electronic mail, by mailing the same in a sealed envelope, registered first-class mail, postage prepaid, return receipt requested, or by air courier guaranteeing overnight delivery, addressed as follows:

If to Calyxt, Inc., to:

Calyxt, Inc.
600 County Road D West
Suite 8
New Brighton, MN 55112
Attention: Joseph Saluri, General Counsel
E-mail: joseph.saluri@calyxt.com

If to Collectis S.A., to:

Collectis S.A.
8, rue de la Croix Jarry
75013 Paris, France
Attention: Marie-Bleuenn Terrier, General Counsel
Facsimile: +33 (0)1 81 69 16 06
E-mail: marie-bleuenn.terrier@collectis.com

Section 6.12. *Governing Law.* This Agreement is governed by and will be construed in accordance with the laws of the State of Delaware, excluding any conflict-of-laws rule or principle (whether of Delaware or any other jurisdiction) that might refer the governance or the construction of this Agreement to the law of another jurisdiction.

Section 6.13. *Jurisdiction.* Each of the Parties (a) consents to submit itself to the personal jurisdiction of the Court of Chancery of the State of Delaware in the event any dispute arises out of this Agreement, (b) agrees that it will not attempt to deny or defeat such personal jurisdiction by motion or other request for leave from such court and (c) agrees that it will not bring any action relating to this Agreement or any of the transactions contemplated by this Agreement in any court other than the Court of Chancery of the State of Delaware. Each Party hereby agrees that, to the fullest extent permitted by law, service of any process, summons, notice or document by U.S. registered mail to the respective addresses set forth in Section 6.11 shall be effective service of process for any suit or proceeding in connection with this Agreement.

Section 6.14. *Waiver of Jury Trial.* EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE ACTIONS OF THE PARTIES IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE AND ENFORCEMENT THEREOF. The Company or any Holder may file an original counterpart or a copy of this Section 6.14 with any court as written evidence of the consent of any of the Parties to the waiver of their rights to trial by jury.

Section 6.15. *Specific Performance.* It is hereby agreed and acknowledged that it will be impossible to measure the money damages that would be suffered if the Parties fail to comply with any of the obligations imposed on them by this Agreement and that, in the event of any such failure, an aggrieved Party will be irreparably damaged and will not have an adequate remedy at law. Each Party shall, therefore, be entitled (in addition to any other remedy to which such Party may be entitled at law or in equity) to seek injunctive relief, including specific performance, to enforce such obligations, without the posting of any bond, and if any action should be brought in equity to enforce any of the provisions of this Agreement, none of the Parties shall raise the defense that there is an adequate remedy at law.

Section 6.16. *Adjustments.* All references in this Agreement to Company Shares shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, reclassifications, recapitalizations, reorganizations and the like occurring after the date hereof.

Section 6.17. *No Third Party Beneficiaries.* This Agreement is not intended to confer upon any Person, except for the Parties, any rights or remedies hereunder.

* * *

IN WITNESS WHEREOF, the parties set forth below have duly executed this Agreement as of the day and year first above written.

CALYXT, INC.

By: /s/ Federico A. Tripodi
Name: Federico A. Tripodi
Title: Chief Executive Officer

CELECTIS S.A.

By: /s/ André Choulika
Name: André Choulika
Title: Chief Executive Officer

By: /s/ André Choulika
Name: André Choulika

By: /s/ Philippe Dumont
Name: Philippe Dumont

By: /s/ Alain Godard
Name: Alain Godard

By: /s/ Anna Ewa Kozicz-Stankiewicz
Name: Anna Ewa Kozicz-Stankiewicz

By: /s/ Laurent Arthaud
Name: Laurent Arthaud

By: /s/ Federico A. Tripodi
Name: Federico A. Tripodi

By: /s/ Bryan W. J. Corkal
Name: Bryan W. J. Corkal

By: /s/ Dan Voytas
Name: Dan Voytas

By: /s/ Feng Zhang
Name: Feng Zhang

By: /s/ Manoj Sahoo
Name: Manoj Sahoo

By: /s/ Glenn Bowers
Name: Glenn Bowers

By: /s/ Michel Arbadji
Name: Michel Arbadji

By: /s/ Joseph B. Saluri
Name: Joseph B. Saluri

Schedule A**Directors:**

André Choulika
Philippe Dumont
Alain Godard
Anna Ewa Kozicz-Stankiewicz
Laurent Arthaud

Executive Officers:

Federico A. Tripodi
Bryan W. J. Corkal
Dan Voytas
Feng Zhang
Manoj Sahoo
Glenn Bowers
Michel Arbadji
Joseph B. Saluri

LICENSE AGREEMENT

This LICENSE AGREEMENT (this “**Agreement**”), dated as of July 25, 2017 (the “**Effective Date**”), is entered into by and between Collectis S.A., a corporation existing and registered under the laws of France, located at 8 rue de la Croix Jarry, 75013 Paris, France (“**Collectis**”), and Calyxt, Inc., a corporation existing and registered under the laws of Delaware, located at 600 County Road D West, Suite 8, New Brighton, MN 55112, USA (“**Calyxt**”) (each a “**Party**” and collectively, the “**Parties**”).

WITNESSETH:

WHEREAS, Collectis owns or otherwise controls certain Intellectual Property Rights and desires to grant to Calyxt, and Calyxt desires to receive from Collectis, a license to use and otherwise exploit such Intellectual Property Rights, in each case upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01. *Definitions.* (a) For purposes of this Agreement, the following terms shall have the following meanings:

“**Affiliate**” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by, or under common control with such other Person, whether now or in the future. For purposes of this definition, (i) “**control**” when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms “**controlling**” and “**controlled**” have correlative meanings and (ii) neither Collectis nor any of its Subsidiaries shall be considered to be an Affiliate of Calyxt or any of its Subsidiaries (and vice versa).

“**Applicable Law**” means, with respect to any Person, any transnational, domestic or foreign federal, state or local law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement enacted, adopted, promulgated or applied by a Governmental Authority that is binding upon or applicable to such Person, as amended unless expressly specified otherwise.

“**Bare Sublicense**” means any sublicense granted by Calyxt to any third party of rights to some or all of the Licensed Collectis Patents pursuant to Section 2.03, without any Calyxt Licensed Product developed by or in collaboration with Calyxt.

“**Bare Sublicense Revenue**” means any and all consideration, payments and revenue (including the fair market value of any non-cash consideration) received by Calyxt pursuant to any Bare Sublicense.

“**Business Day**” means a day, other than Saturday, Sunday or other day on which commercial banks in Paris, France are authorized or required by Applicable Law to close.

“**Calyxt Field**” means the field of researching, developing and commercializing agricultural and food products, including, but not limited to traits, seeds, proteins, oils, carbohydrates, food, and food and animal feed ingredients, excluding any application in connection with animals and animal cells.

“**Calyxt Improvement**” means any improvements, modifications, refinements to, enhancements, derivatives or combinations of, any Licensed Collectis IP made by Calyxt or any of its Affiliates after the Effective Date and all Intellectual Property Rights in any of the foregoing.

“**Calyxt Improvement Patents**” means any Patents owned or controlled by Calyxt or any of its Affiliates Covering any Calyxt Improvements.

“**Calyxt Licensed Products**” means any and all products (i) the creation, generation, development, making or use of which is, in whole or in part, Covered by a Licensed Collectis Patent, or (ii) which is created, generated, bred or made by use of a process Covered by a Licensed Collectis Patent. For sake of clarity, any plant or seed which contains one or more modifications made using a process Covered by any of the Licensed Collectis Patents, as well as any progeny of such plant or seed, any part of such plant or seed, and any product derived from such plant or seed (such as, for example, meal and oil derived from any soybean), is a Calyxt Licensed Product.

“**Collectis Improvement**” means any improvements, modifications or refinements to, or enhancements or derivatives of any Licensed Collectis IP made by Collectis or any of its Affiliates after the Effective Date and all Intellectual Property Rights in any of the foregoing.

“**Confidential Information**” means any and all non-public, proprietary or other confidential information disclosed by a Party (“**disclosing party**”) to the other Party (“**receiving party**”) and includes all information licensed hereunder without the need for any further notice or marking, excluding any information that: (i) the receiving party independently develops without reference to the disclosed information; (ii) the receiving party independently receives on a non-confidential and authorized basis from a source other than the disclosing party; (iii) becomes public knowledge through no fault of the receiving party; or (iv) is in the public domain at the time the receiving party receives the disclosed information.

“**Cover**” means, with respect to any product, service or process, and any Intellectual Property Right, that the manufacture, use, offer for sale, sale, distribution, importation, development or other commercialization of such product, service or process would, but for any ownership of or license under such Intellectual Property Right, constitute an infringement, misappropriation or other violation of any of such Intellectual Property Right. “**Covered**” and “**Covering**” have correlative meanings.

“Exclusively Licensed Collectis Patents” means any and all Licensed Collectis Patents exclusively related to the Calyxt Field for which Calyxt is granted exclusive rights under the Calyxt License.

“Governmental Authority” means any transnational, domestic or foreign federal, state or local governmental, regulatory or administrative authority, department, court, agency or official, including any political subdivision thereof.

“Intellectual Property Rights” means any and all intellectual property rights or similar proprietary rights throughout the world, including all (i) national and multinational statutory invention registrations and similar statutory rights, patents and patent applications, including all provisionals, non-provisionals, divisionals, continuations, continuations-in-part, reissues, renewals, reexaminations, extensions, supplemental protection certificates and the equivalents of any of the foregoing in any jurisdiction, and all inventions disclosed in any of the foregoing (**“Patents”**); (ii) trademarks, service marks, certification marks, logos, trade names, trade dress, domain names and other indications of origin, including all registrations and applications for registration of, and all goodwill associated with, any of the foregoing (**“Trademarks”**); (iii) copyrights and registrations and applications for registration thereof, including all derivative works, moral rights, renewals, extensions, reversions or restorations associated with such copyrights, regardless of the medium of fixation or means of expression; (iv) trade secrets, know-how and other confidential or proprietary information (including processes, techniques and research and development information); and (v) mask works, industrial designs (whether or not registered), database rights, publicity rights and privacy rights.

“Licensable” means, with respect to any Intellectual Property Right, that a Person has the power and authority to grant a license (or sublicense, as the case may be), on the applicable terms and conditions of this Agreement, to such Intellectual Property Right without any of the following: (i) the consent of any third party (unless such consent can be obtained without providing any additional consideration to such third party); (ii) impairing such Person’s existing rights in respect of such Intellectual Property Right (it being understood that the grant of any license hereunder, in and of itself, shall not be construed as an impairment of any of such Person’s rights); (iii) imposing any additional obligations on such Person under any preexisting agreement relating to such Intellectual Property Right; and/or (iv) the payment of royalties or other consideration on or after the Effective Date by such Person to any third party under any preexisting agreement relating to such Intellectual Property Right (other than to the University of Minnesota pursuant to the UMinn License). For the avoidance of doubt, in no event shall any Intellectual Property Right be **“Licensable”** if any of the foregoing conditions in clauses (i)-(iv) apply.

“Licensed Collectis IP” means the (i) Licensed Collectis Patents; and (ii) Other Licensed Intellectual Property Rights.

“Licensed Collectis Patents” means any and all Patents that are: (i) related to the Calyxt Field; (ii) necessary for Calyxt to operate in the Calyxt Field; and (iii) Licensable by Collectis and existing as of the Effective Date.

“Licensed TALEN Mark” means the trademark “TALEN” and all registrations and applications for registration thereof, in each case as owned by Collectis as of the Effective Date, including the registration set forth on Schedule A.

“Net Sales” means, with respect to any Calyxt Licensed Product, the gross amount invoiced by Calyxt or any of its sublicensees for any such Calyxt Licensed Product, in each case less (i) all trade, quantity, and cash discounts actually allowed; (ii) all credits and allowances actually granted due to rejections, returns, billing errors, and retroactive price reductions; (iii) applicable duties; (iv) all credits or allowances given or made for uncollectible amounts and for which a provision is made in Calyxt’s financial statements; (v) the commodity price for seed and grain; and (vi) applicable excise, sale and use taxes. Net Sales shall also include the fair market value of all other consideration received as consideration for the sale or disposition of any Calyxt Licensed Product, whether such consideration is in cash, payment in kind, exchange or another form. Net Sales shall be determined by using generally accepted accounting principles consistently applied.

“Non-Exclusive Field” means the field of researching, developing and commercializing a modified or mutated I-CreI homing endonuclease that is a homodimer, heterodimer or single chain endonuclease, but solely to the extent the foregoing falls within the Calyxt Field.

“Other Licensed Intellectual Property Rights” means any and all know-how and other Intellectual Property Rights (excluding any Patents and Trademarks) that are (i) related to the Calyxt Field; (ii) necessary for Calyxt to operate in the Calyxt Field; and (iii) Licensable by Collectis and existing as of the Effective Date.

“Patent-Related Expenses” means costs and expenses (including out-of-pocket attorneys’ fees, patent agent fees and governmental filing fees) that Collectis or any of its Affiliates incurs in prosecuting and maintaining the Licensed Collectis Patents which are exclusively and solely related to the Calyxt Field.

“Person” means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a Governmental Authority.

“Royalty Term” means, with respect to any Calyxt Licensed Product in any jurisdiction, the period commencing on the Effective Date and ending upon the expiration of the last-to-expire Valid Claim Covering such Calyxt Licensed Product in such jurisdiction.

“Sublicense Revenue Term” means the period commencing on the Effective Date and ending upon the expiration of the last-to-expire Valid Claim.

“**Subsidiary**” means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at the time directly or indirectly owned by such Person.

“**UMinn License**” means the Exclusive Patent License Agreement between the University of Minnesota and Collectis dated as of January 10, 2011 (as amended, including by the First Amendment to the Exclusive Patent License Agreement, dated as of May 24, 2012, Second Amendment to the Exclusive Patent License Agreement, dated as of April 1, 2014, and Third Amendment to the Exclusive Patent License Agreement, dated as of December 16, 2015).

“**University of Minnesota**” means the Regents of the University of Minnesota.

“**Valid Claim**” means any (i) claim in any unexpired and issued Patent included in the Licensed Collectis Patents that has not been (A) disclaimed, revoked or held invalid or unenforceable by a decision of a court or other Governmental Authority of competent jurisdiction from which no appeal (other than an appeal to the highest appellate court of such jurisdiction) can be taken, or with respect to which an appeal is not taken within the time allowed for appeal, or (B) irretrievably abandoned, disclaimed or admitted to be invalid or unenforceable by Collectis through reissue, disclaimer or otherwise, or (ii) pending claim in a pending Patent application included in the Licensed Collectis Patents that has not been abandoned or finally rejected without the possibility of appeal or refiling.

(b) Each of the following terms is defined in the Section set forth opposite such term:

<u>Term</u>	<u>Section</u>
Agreement	Preamble
Calyxt	Preamble
Calyxt License	2.01
Calyxt TM License	2.02
Collectis	Preamble
Controlling Party	9.02
Effective Date	Preamble
Indemnified Party	8.03
Indemnifying Party	8.03
Infringement	9.02
Losses	8.01
Necessary Third Party License	5.02
Negotiation Period	2.06
Non-Controlling Party	9.02
Option Period	2.06
Parties	Preamble
Party	Preamble
Remainder	9.02
Third Party Claim	8.03
UMinn IP	2.04

Section 1.02. *Other Definitional and Interpretative Provisions.* The words “hereof”, “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Articles, Sections and Schedules are to Articles, Sections and Schedules of this Agreement unless otherwise specified. All Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular. Whenever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation”, whether or not they are in fact followed by those words or words of like import. “Writing”, “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. References to “law”, “laws” or to a particular statute or law shall be deemed also to include any and all Applicable Law.

ARTICLE 2
GRANT OF LICENSE

Section 2.01. *Calyxt License.* Subject to the terms and conditions of this Agreement, Collectis hereby grants to Calyxt an exclusive (except as otherwise provided herein and subject to existing licenses granted by Collectis to third parties prior to the Effective Date) worldwide, perpetual license, with the right to sublicense (in accordance with Section 2.03) under the Licensed Collectis IP to use, have used, make, have made, sell, have sold, offer for sale, export, import and otherwise exploit any and all Calyxt Licensed Products within the Calyxt Field (the “**Calyxt License**”). Notwithstanding the foregoing, the Calyxt License shall be non-exclusive solely in the Non-Exclusive Field, such that the rights as set forth above in this Section 2.01 are granted to Calyxt on a non-exclusive basis in the Non-Exclusive Field under the Calyxt License.

Section 2.02. *Trademark License Grant.* Subject to the terms and conditions of this Agreement, Collectis hereby grants to Calyxt a worldwide, non-exclusive, sublicensable (in accordance with Section 2.03), royalty-free and fully paid-up, non-transferable (except as set forth in Section 11.01) license under the Licensed TALEN Mark to use, make, have made, sell, offer for sale, import and otherwise exploit any and all Calyxt Licensed Products within the Calyxt Field (the “**Calyxt TM License**”).

Section 2.03. *Sublicense Rights*. The Calyxt License and the Calyxt TM License include the right of Calyxt to grant sublicenses to any Person; provided that (a) any such sublicense shall be in writing and automatically terminate upon any termination of this Agreement (it being understood that any such sublicense shall include express terms and conditions to effect such automatic termination); (b) sublicensees of the Calyxt License shall not be permitted to grant further sublicenses thereunder with respect to any UMinn IP (as defined below); (c) Calyxt shall cause each of its sublicensees to abide by all applicable terms and conditions of this Agreement, enforce such terms and conditions and the provisions of any sublicense against each such sublicensee; and (d) Calyxt shall remain responsible and liable to Collectis for the performance of each such sublicensee's obligations and for all acts or omissions of such sublicensee as if they were acts of Calyxt under this Agreement.

Section 2.04. *UMinn License*. The Parties acknowledge and agree that Calyxt has received a copy of the UMinn License and certain Licensed Collectis IP is owned by the University of Minnesota ("UMinn IP") and the Calyxt License with respect to the UMinn IP is granted as a sublicense under, and subject to the terms and conditions of, the UMinn License. Accordingly, in exercising its rights under the Calyxt License, Calyxt shall comply with any and all terms and conditions of the UMinn License as they would apply to Calyxt as a sublicensee with respect to any UMinn IP. Without limiting the generality of the foregoing, promptly following receipt of written notice thereof, Calyxt shall reimburse Collectis for any and all payments made by Collectis to the University of Minnesota pursuant to Sections 11.6.4 (Milestone Payments), 11.11 (Annual Fee), and 11.12 (Commercialization Fee) of the UMinn License, but solely to the extent that any such payments are required as a result of the applicable activities of Calyxt hereunder or thereunder. Calyxt shall not be liable to the University of Minnesota for any other payments other than those as specifically set forth in the previous sentence. Without the prior written consent of Calyxt, Collectis shall not (A) terminate the UMinn License, or (B) amend or waive any rights under the UMinn License in any manner that would reasonably be expected to have a material adverse effect on any of Calyxt's rights under this Agreement. In addition, Calyxt shall provide, and shall cause its sublicensees to provide, to Collectis all reports, information and other assistance in connection with Calyxt's and its sublicensees' activities pursuant to this Agreement that are reasonably required to enable Calyxt to comply with its obligations under the UMinn License.

Section 2.05. *Calyxt Improvements*. (a) As between the Parties, any and all Calyxt Improvements shall be solely and exclusively owned by Calyxt.

(b) Subject to the terms and conditions of this Agreement, Calyxt, on behalf of itself and its Affiliates, hereby grants to Collectis and its Affiliates an exclusive, perpetual, worldwide, sublicensable, non-transferable (except as set forth in Section 11.01), royalty-free and fully paid-up license to use and otherwise exploit Calyxt Improvements for any purpose outside of the Calyxt Field. On a continuing basis during the term of this Agreement, Calyxt shall promptly make available to Collectis all Calyxt Improvements then in existence that are necessary or reasonably useful for the commercialization of such Calyxt Improvements by Collectis outside of the Calyxt Field, and provide Collectis with all reasonable assistance to enable Collectis to understand and use such Calyxt Improvement. Calyxt shall use commercially reasonable efforts to identify and disclose all Calyxt Improvements based on facts known to Calyxt, as well as in response to specific requests made by Collectis.

Section 2.06. *Calyxt Option on Collectis Improvements.* Solely during the period in which Collectis and its Affiliates own, in the aggregate, a number of Calyxt common shares equal to at least fifty percent (50%) of the then outstanding common shares of Calyxt, Collectis shall promptly disclose to Calyxt all Collectis Improvements then in existence that are necessary or reasonably useful for the commercialization of such Collectis Improvements by Calyxt in the Calyxt Field, and provide Calyxt an option to obtain a license within the Calyxt Field. Calyxt may exercise its option by sending a written notice to Collectis within thirty (30) days after it has the knowledge of such Collectis Improvements (the “**Option Period**”). If Calyxt has exercised its option within the Option Period to obtain such a license, then for a period of thirty (30) days after Collectis receives such notice from Calyxt (the “**Negotiation Period**”), the Parties shall, in good faith, negotiate the terms and conditions of a definitive agreement pursuant to which Collectis would grant Calyxt a royalty-bearing license with respect to such Collectis Improvement; *provided* that if Calyxt does not exercise its option within the Option Period, or if the Parties do not agree on the terms and conditions of such a definitive agreement for such license within the Negotiation Period, Collectis shall be free to grant any third party any license or other rights with respect to such Collectis Improvement.

Section 2.07. *No Other Licenses.* Except as expressly provided in this Agreement, no other licenses are granted to either Party under this Agreement. Each Party acknowledges and agrees that (a) any use by Calyxt or any of its sublicensees of the Licensed Collectis IP outside the scope of the Calyxt License or the Licensed TALEN Mark outside the scope of the Calyxt TM License is expressly prohibited and (b) any use by Collectis or any of its sublicensees of the Calyxt Improvements outside the scope of the licenses granted to Collectis or any of its sublicensees pursuant to Section 2.05 is expressly prohibited.

ARTICLE 3
LICENSED TALEN MARK; QUALITY CONTROL

Section 3.01. *Quality Control.* Collectis reserves the right to practice reasonable quality control with regard to the use of the Licensed TALEN Mark by Calyxt or any of its sublicensees and Calyxt shall, and shall cause its sublicensees to, adhere to such quality, appearance, reputational, distinctiveness and other standards with respect to the use of the Licensed TALEN Mark and with respect to the goods and services sold or rendered under the Licensed TALEN Mark as Collectis may require from time to time. Calyxt hereby acknowledges the validity of the Licensed TALEN Mark and Collectis’ exclusive right, title, and interest in and to the Licensed TALEN Mark, subject to the license granted hereunder. Calyxt shall, and shall cause its sublicensees to, (a) not take any action or make any statement which would reasonably be expected to damage the reputation or goodwill associated with Collectis, any of its Affiliates, or the Licensed TALEN Mark, or to prejudice, infringe or impair the rights of Collectis with respect to the Licensed TALEN Mark and (b) comply with all Applicable Law governing the use of the Licensed TALEN Mark, including all services performed under the Licensed TALEN Mark and all goods to which the Licensed TALEN Mark is applied. At Calyxt’s sole expense, Calyxt shall supply, and shall cause its sublicensees to supply, Collectis with specimens of all uses of the Licensed TALEN Mark upon the reasonable request of Collectis.

Section 3.02. *Reservation of Rights; Ownership.* (a) Calyxt, on behalf of itself and its sublicensees, acknowledges and agrees that (i) Collectis is the sole and exclusive owner of all right, title and interest in and to the Licensed TALEN Mark; (ii) Collectis shall have the sole and exclusive right to prosecute and maintain the Licensed TALEN Mark; and (iii) neither Calyxt nor any of its sublicensees has acquired, and shall not acquire, any right, title or interest in or to the Licensed TALEN Mark other than the rights expressly set forth in this Agreement. Calyxt shall cooperate with Collectis in taking all appropriate measures for the protection of the Licensed TALEN Mark.

(b) Calyxt shall not, and shall cause its sublicensees not to, (i) challenge the validity, enforceability or ownership of the Licensed TALEN Mark or claim adversely or assist in any claim adverse to Collectis concerning any right, title or interest in the Licensed TALEN Mark; (ii) do or permit any act which may directly or indirectly impair or prejudice Collectis' title to the Licensed TALEN Mark or be detrimental to the reputation and goodwill of Collectis or any of its Affiliates, including any act which might assist or give rise to any application to remove or de-register any of the Licensed TALEN Mark; or (iii) register or attempt to register any trademarks for any words, names, graphics, or other source identifiers that are identical or confusingly similar to the Licensed TALEN Mark. All use of the Licensed TALEN Mark by Calyxt and any of its sublicensees, and all goodwill associated with such use, shall inure to the benefit of Collectis.

Section 3.03. *Trademark Notice.* In connection with the use of the Licensed TALEN Mark, Calyxt and its sublicensees shall mark each use with the registered trademark symbol, "®," or such other trademark notice symbol as designated by Collectis.

ARTICLE 4 COMMERCIALIZATION

Section 4.01 *Commercialization and Performance Milestones.* Calyxt shall use its commercially reasonable efforts, and shall require all sublicensees to use commercially reasonable efforts, in each case consistent with sound and reasonable business practices and judgment, to commercialize the Licensed Collectis Patents in the Calyxt Field and to manufacture, offer to sell and sell Calyxt Licensed Products as soon as practicable and to maximize sales thereof.

Section 4.02 *Covenants Regarding the Manufacture of Licensed Products.* Calyxt hereby covenants and agrees, and shall require all sublicensees to covenant and agree, that (a) the manufacture, use, sale, or transfer of Calyxt Licensed Products shall comply with all Applicable Laws, including all federal export laws and regulations; and (b) it will make commercially reasonable efforts such that the Calyxt Licensed Products shall not be defective in design or manufacture. Calyxt hereby further covenants and agrees that, pursuant to 35 United States Code Section 204, it shall, and it shall cause each sublicensee, to substantially manufacture in the United States of America all products embodying or produced through the use of an invention that is subject to the rights of the federal government of the United States of America.

Section 4.03 *Export and Regulatory Compliance*. Calyxt understands that the Arms Export Control Act (AECA), including its implementing International Traffic In Arms Regulations (ITAR) and the Export Administration Act (EAA), including its Export Administration Regulations (EAR), are some (but not all) of the laws and regulations that comprise the U.S. export laws and regulations. Calyxt further understands that the U.S. export laws and regulations include (but are not limited to): (i) ITAR and EAR product/service/data-specific requirements; (ii) ITAR and EAR ultimate destination-specific requirements; (iii) LIAR and EAR end user-specific requirements; (iv) Foreign Corrupt Practices Act; and (v) antiboycott laws and regulations. Calyxt shall comply with all then-current applicable export laws and regulations of the U.S. Government (and other applicable U.S. laws and regulations) pertaining to the Calyxt Licensed Products (including any associated products, items, articles, computer software, media, services, technical data, and other information). Calyxt certifies that it shall not, directly or indirectly, export (including any deemed export), nor re-export (including any deemed re-export) the Calyxt Licensed Products (including any associated products, items, articles, computer software, media, services, technical data, and other information) in violation of U.S. export laws and regulations or other applicable U.S. laws and regulations. Calyxt shall include an appropriate provision in its agreements with its authorized sublicensees to assure that these parties comply with all then-current applicable U.S. export laws and regulations and other applicable U.S. laws and regulations.

Section 4.04 *Commercialization Reports*. As requested by Collectis in writing, no more than once per year, Calyxt shall deliver to Collectis written reports of Calyxt's and its sublicensees' efforts and plans to commercialize the Licensed Collectis Patents in the Calyxt Field and to manufacture, offer to sell, or sell Calyxt Licensed Products.

Section 4.05 *Use of Collectis and University of Minnesota Names and Trademarks*. Except for the Licensed TALEN Mark, no provision of this Agreement grants Calyxt or any of its sublicensees any right or license to use the name, logo, or any marks owned by or associated with Collectis, the University of Minnesota or the names, or identities of any member of the faculty, staff, or student body of the University of Minnesota. Calyxt shall not use and shall not permit any of its sublicensees to use any such logos, marks, names, or identities without the prior written approval of Collectis or the University of Minnesota, as applicable.

Section 4.06 *Governmental Markings*.

(a) Calyxt and its sublicensees may mark all Calyxt Licensed Products in a manner consistent with their current patent marking practices for their own products and Applicable Laws. Where marking is to be performed but the Calyxt Licensed Product cannot be marked, the patent notice shall be placed on associated tags, labels, packaging, or accompanying documentation (either electronic or paper) as appropriate.

(b) Calyxt and its sublicensees are solely responsible for obtaining all necessary approvals from Governmental Authorities for the development, production, distribution, sale, and use of any Calyxt Licensed Product, at Calyxt's expense, including, without limitation, any safety studies. Calyxt is solely responsible for including with the Calyxt Licensed Product any warning labels, packaging and instructions as to the use and the quality control for such Calyxt Licensed Product.

(c) Calyxt agrees to register this Agreement with any foreign Governmental Authority that requires such registration, and Calyxt shall pay all costs and legal fees in connection with such registration. Calyxt shall comply with all foreign laws affecting this Agreement or the sale of Calyxt Licensed Products.

ARTICLE 5
ROYALTIES AND BARE SUBLICENSE REVENUE

Section 5.01. *Royalties and Bare Sublicense Revenue.* As consideration for the Calyxt License, Calyxt shall pay to Collectis the following amounts during the following periods:

(a) With respect to each Calyxt Licensed Product in any jurisdiction, three percent (3%) of all Net Sales of such Calyxt Licensed Product in such jurisdiction during the Royalty Term for such Calyxt Licensed Product; and

(b) thirty percent (30%) of all Bare Sublicense Revenue during the Sublicense Revenue Term.

Section 5.02. *Royalty Stacking for Third Party Rights.* (a) If Calyxt is presently required, or in the future is required, to secure a royalty-bearing or fee-bearing license under any patent to use, make, have made, sell, offer for sale or import any Calyxt Licensed Product in the Calyxt Field in any jurisdiction (a "**Necessary Third Party License**"), then, during the period in which Calyxt is required to make royalty payments to the licensor under such Necessary Third Party License, Calyxt shall have the right to reduce the royalty rate contemplated in Section 5.01(a) with respect to the Net Sales of such Calyxt Licensed Product in such jurisdiction by an amount equal to one quarter (1/4) of the royalty rate payable to such licensor pursuant to such Necessary Third Party License; *provided that*, in no event shall the royalty rate contemplated in Section 5.01(a) with respect to any Net Sales of any Calyxt Licensed Product be reduced to less than two percent (2%). If such Necessary Third Party License includes a royalty stacking provision of like intent to this Section 5.02, the royalty rate reduction provided for in this Section 5.02 will be calculated as if such provision in such Necessary Third Party License were absent. For the avoidance of doubt, and notwithstanding anything in this Agreement to the contrary, in no event shall any agreement to which Calyxt is a party as of or prior to the Effective Date be deemed a Necessary Third Party License under this Agreement.

(b) Without limiting Section 5.02(a), and by way of example only:

(i) If, after the Effective Date, Calyxt is required to enter into a Necessary Third Party License, pursuant to which Calyxt is required to pay the licensor thereunder a royalty of two percent (2%) of the net sales of a Calyxt Licensed Product in a jurisdiction, then, during the period in which such royalty is required to be paid, the royalty rate contemplated in Section 5.01 (a) with respect to the Net Sales of such Calyxt Licensed Product in such jurisdiction would equal two and one half percent (2.5%).

(ii) If, after the Effective Date, Calyxt is required to enter into a Necessary Third Party License, pursuant to which Calyxt is required to pay the licensor thereunder a royalty of eight percent (8%) of the net sales of a Calyxt Licensed Product in a jurisdiction, then, during the period in which such royalty is required to be paid, the royalty rate contemplated in Section 5.01 (a) with respect to the Net Sales of such Calyxt Licensed Product in such jurisdiction would equal two percent (2%).

Section 5.03. *Reimbursement of Patent-Related Expenses.* Commencing on the Effective Date, Calyxt shall pay all invoices issued by Collectis or any of its Affiliates for any Patent-Related Expenses under this Agreement within thirty (30) days of its receipt of each such invoice.

Section 5.04. *Reporting; Audit Rights.* Calyxt shall render to Collectis, on a calendar quarterly basis, commencing with the first calendar quarter after the Effective Date, a detailed written report of the royalties and Bare Sublicense Revenue due to Collectis. Such report shall be accompanied by a remittance of such royalties and Bare Sublicense Revenue as shown to be due hereunder. Each report shall be rendered within thirty (30) days following the end of each calendar quarterly period. Calyxt shall keep books and records in sufficient detail to enable the royalty payments and Bare Sublicense Revenue due hereunder to be adequately determined. Once per calendar year, upon reasonable written notice, Collectis or any third party owner of Patent rights included in the Licensed Collectis IP shall have the right at its sole cost and expense to cause a nationally recognized independent certified public accountant reasonably acceptable to Calyxt to examine and inspect such books and records during Calyxt's normal business hours, but only to the extent necessary to verify the computation of royalties and Bare Sublicense Revenue payable hereunder. Such books and records shall be deemed Confidential Information of Calyxt hereunder, and such nationally recognized independent certified public accountant shall disclose to Collectis or such third party only the royalties and Bare Sublicense Revenue payable and the percentage under/overpayment by Calyxt. In the event that such examination determines that Calyxt has underpaid royalties and Bare Sublicense Revenue by more than three percent (3%), Calyxt shall reimburse Collectis for its reasonable costs in conducting such examination. At Calyxt's expense, Calyxt shall also provide Collectis with all reasonably requested cooperation in connection with complying with any audit regarding the activities of Calyxt hereunder that is conducted by or on behalf of the University of Minnesota pursuant to the UMinn License.

Section 5.05. *Method of Payment.* Each payment by Calyxt hereunder shall be made by electronic transfer in immediately available funds, at Collectis' election, via either a bank wire transfer or any other means of electronic funds transfer to a bank account specified in writing by Collectis to Calyxt. Collectis may change such account by written notice at least five (5) Business Days before any payment is due. All royalties and Bare Sublicense Revenue of Calyxt

shall be computed and paid in U.S. dollars. For the purposes of determining the amount of any royalties or Bare Sublicense Revenue due for any relevant calendar quarter, the amount of Net Sales or Bare Sublicense Revenue in any foreign currency shall be converted into U.S. dollars in a manner consistent with Calyxt's customary practices used to prepare its audited financial reports. No more than once per calendar year, upon written request of Collectis, Calyxt shall provide Collectis with a written explanation of such customary practices of Calyxt.

Section 5.06. *Withholding Taxes.* To the extent either Party is required by Applicable Law to withhold or deduct any amounts from any payments to be made under this Agreement, such Party shall be entitled to withhold or deduct such amounts and such amounts shall be treated for all purposes of this Agreement as having been paid to the Party in respect of which such deduction and withholding were made. Each Party shall (in consultation and cooperation with the other) use commercially reasonable efforts to attempt to lawfully mitigate, reduce or avoid such withholdings or deductions. Promptly after the execution of this Agreement, Collectis shall provide to Calyxt a valid Form W-8BEN-E establishing Collectis' right to a zero percent rate of withholding tax with respect to the amounts payable by Calyxt under this Article 5 under Article 12 of the United States – France income tax treaty.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES;
DISCLAIMERS; LIMITATION OF LIABILITY

Section 6.01. *Mutual Representations and Warranties.* As of the Effective Date, each Party hereby represents and warrants to the other Party that (a) the execution, delivery and performance by such Party of this Agreement are within such Party's corporate powers and have been duly authorized by all necessary corporate action on the part of such Party and (b) this Agreement constitutes a valid and binding agreement of such Party enforceable against such Party in accordance with its terms (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other laws affecting creditors' rights generally and general principles of equity).

Section 6.02. *Disclaimers and Limitation of Liability.* EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES IN SECTION 6.01, ALL LICENSES AND RIGHTS GRANTED HEREIN ARE MADE ON AN "AS IS" BASIS, AND THE PARTIES EACH HEREBY DISCLAIM ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY KIND, INCLUDING WITHOUT LIMITATION, THOSE REGARDING MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OF NON-INFRINGEMENT. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, CALYXT ACKNOWLEDGES AND AGREES THAT ALL RIGHTS GRANTED TO CALYXT UNDER THIS AGREEMENT ARE SUBJECT IN ALL RESPECTS TO ANY AND ALL LICENSES OR OTHER RIGHTS GRANTED BY COLLECTIS OR ANY OF ITS AFFILIATES TO ANY THIRD PARTIES WITH RESPECT TO ANY LICENSED COLLECTIS IP AS OF OR PRIOR TO THE EFFECTIVE DATE. TO THE EXTENT PERMITTED BY APPLICABLE LAW, NEITHER PARTY SHALL BE LIABLE UNDER

ANY LEGAL OR EQUITABLE THEORY FOR ANY INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND ARISING OUT OF OR OTHERWISE RELATED TO THIS AGREEMENT, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Section 6.03. *University of Minnesota Disclaimer; Limitation of Liability; and Release.*

(a) Calyxt acknowledges and agrees that the disclaimer, remedy limitation and damages cap provisions applicable to and exclusion of representations and warranties by the University Minnesota, set forth in Sections 10.2, 11.1 and 11.2 of the UMinn License shall apply with respect to Calyxt's rights and remedies under this Agreement and such Sections are hereby incorporated by reference herein, *mutatis mutandis*.

(b) Calyxt, on behalf of itself and its Affiliates and its and their respective employees, hereby releases the University of Minnesota, Cellectis and their respective regents, employees and agents forever from any and all suits, actions, claims, liabilities, demands, damages, losses, and expenses (including reasonable attorneys' and investigative expenses) relating to or arising out of the manufacture, use, lease, sale, or other disposition of any Calyxt Licensed Product.

ARTICLE 7
CONFIDENTIALITY

Section 7.01. *Confidentiality.* (a) The receiving party shall keep confidential the disclosing party's Confidential Information, and shall not use any of the disclosing party's Confidential Information for any purpose other than the exercise of the receiving party's rights, or as otherwise permitted, under this Agreement. The receiving party shall preserve the confidentiality of the disclosing party's Confidential Information as it would customarily take to preserve the confidentiality of its own similar type of confidential information and shall not disclose the disclosing party's Confidential Information to any third party without the prior written consent of the disclosing party, except as expressly permitted hereunder. The receiving party may disclose the Confidential Information to (i) any of its employees, agents, independent contractors and sublicensees who need it in connection with this Agreement and are bound in writing by restrictions regarding disclosure and use of the Confidential Information comparable to and no less restrictive than those set forth herein or (ii) the extent it is in response to a valid order of a court or other Governmental Authority or to otherwise comply with Applicable Law; *provided* that, in the case of clause (ii), the receiving party shall first provide written notice to the disclosing party and reasonably cooperate with the disclosing party to obtain a protective order or other measures preserving the confidential treatment of such Confidential Information and requiring that the information or documents so disclosed be used only for the purposes for which the order was issued or is otherwise required by Applicable Law.

(b) The terms and conditions of this Agreement shall be deemed Confidential Information for the purposes of this Agreement; *provided* that each Party may disclose the terms and conditions of this Agreement: (i) in confidence, to its accountants, banks and present and prospective financing sources and their advisors; (ii) in connection with the enforcement of this Agreement or rights under

this Agreement; (iii) in confidence, in connection with an actual or proposed merger, acquisition or similar transaction involving such Party; (iv) in confidence, to its Affiliates; (v) in confidence, to its third party independent contractors who have a need to know, solely in connection with their provision of services to such Party; (vi) as required by applicable securities laws or the rules of any stock exchange on which securities of such Party are traded or any other Applicable Law; or (vii) as mutually agreed upon by the Parties in writing.

ARTICLE 8 INDEMNIFICATION

Section 8.01. *Indemnification by Calyxt.* Calyxt shall defend Collectis and its Affiliates and their respective officers, directors, employees, contractors, customers and agents against any action, suit, proceeding or other claim, and indemnify and hold each of them harmless from any and all damages, liabilities, expenses, and other losses (including reasonable attorneys' fees and court costs) ("**Losses**") to the extent arising from any (a) breach of this Agreement by Calyxt; (b) breach of the UMin License caused by any activities of Calyxt or its sublicensees; (c) use, making, having made, sale, offer for sale, importation or any other exploitation of any Calyxt Licensed Products or any exploitation of the Licensed Collectis IP by Calyxt or any of its sublicensees; (d) gross negligence or willful misconduct by Calyxt; and/or (e) violation of Applicable Law by Calyxt.

Section 8.02. *Indemnification by Collectis.* Collectis shall defend Calyxt and its Affiliates and their respective officers, directors, employees, and agents against any action, suit, proceeding or other claim, and indemnify and hold each of them harmless from any and all Losses to the extent arising from any (a) breach of this Agreement by Collectis; (b) gross negligence or willful misconduct by Collectis; and/or (c) violation of Applicable Law by Collectis.

Section 8.03. *Third Party Claim Procedures.* (a) The Party seeking indemnification under Section 8.01 or 8.02 (the "**Indemnified Party**") shall give prompt notice in writing to the Party against whom indemnity is to be sought (the "**Indemnifying Party**") of the assertion of any claim or the commencement of any action, suit, proceeding or other claim by any third party ("**Third Party Claim**") in respect of which indemnity may be sought under such Section. Such notice shall set forth in reasonable detail such Third Party Claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have actually prejudiced the Indemnifying Party.

(b) The Indemnifying Party shall be entitled to participate in the defense of any Third Party Claim and, subject to the limitations set forth in this Section, shall be entitled to control and appoint lead counsel for such defense, in each case at its own expense; *provided* that prior to assuming control of such defense, the Indemnifying Party must acknowledge that it would have an indemnity obligation for the Losses resulting from such Third Party Claim as provided under this Article 8.

(c) The Indemnifying Party shall not be entitled to assume or maintain control of the defense of any Third Party Claim and shall pay the fees and expenses of counsel retained by the Indemnified Party if (i) the Indemnifying Party does not deliver the acknowledgment referred to in Section 8.03(b) within thirty (30) days of receipt of notice of the Third Party Claim pursuant to Section 8.03(a); (ii) the Third Party Claim relates to or arises in connection with any criminal action, proceeding or claim; (iii) the Third Party Claim seeks an injunction or equitable relief against the Indemnified Party or any of its Affiliates; or (iv) the Indemnifying Party has failed or is failing to prosecute or defend vigorously the Third Party Claim.

(d) If the Indemnifying Party shall assume the control of the defense of any Third Party Claim in accordance with the provisions of this Section 8.03, the Indemnifying Party shall obtain the prior written consent of the Indemnified Party before entering into any settlement of such Third Party Claim.

(e) In circumstances where the Indemnifying Party is controlling the defense of a Third Party Claim in accordance with paragraphs (b) and (c) above, the Indemnified Party shall be entitled to participate in the defense of any Third Party Claim and to employ separate counsel of its choice for such purpose, in which case the fees and expenses of such separate counsel shall be borne by the Indemnified Party; *provided* that in such event the Indemnifying Party shall pay the fees and expenses of such separate counsel (i) incurred by the Indemnified Party prior to the date the Indemnifying Party assumes control of the defense of the Third Party Claim or (ii) if representation of both the Indemnifying Party and the Indemnified Party by the same counsel would create a conflict of interest.

(f) Each Party shall cooperate, and cause their respective Affiliates to cooperate, in the defense or prosecution of any Third Party Claim and shall furnish or cause to be furnished such records, information and testimony, and attend such conferences, discovery proceedings, hearings, trials or appeals, as may be reasonably requested in connection therewith.

Section 8.04. *Direct Claim Procedures.* In the event that an Indemnified Party has a claim for indemnity under Section 8.01 or 8.02 against an Indemnifying Party that does not involve a Third Party Claim, the Indemnified Party shall give prompt notice in writing of such claim to the Indemnifying Party. Such notice shall set forth in reasonable detail such claim and the basis for indemnification (taking into account the information then available to the Indemnified Party). The failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder, except to the extent such failure shall have actually prejudiced the Indemnifying Party.

ARTICLE 9

PROSECUTION, MAINTENANCE; LITIGATION

Section 9.01. *Prosecution and Maintenance.* (a) As between the Parties, Collectis shall have the sole and exclusive right to prosecute and maintain the Licensed Collectis IP and Licensed TALEN Mark (it being understood that, and Calyxt acknowledges and agrees that, pursuant to the UMinn License, the University of Minnesota has the sole and exclusive right to

prosecute and maintain the UMin IP). Subject to any rights granted to any third parties prior to the date hereof with respect to any Exclusively Licensed Collectis Patents, Collectis shall (i) keep Calyxt reasonably informed of all steps to be taken in connection with the prosecution and maintenance of the Exclusively Licensed Collectis Patents, and (ii) consider in good faith (or, in the case of any Exclusively Licensed Collectis Patents being prosecuted by the University of Minnesota, use commercially reasonable efforts to cause the University of Minnesota to consider in good faith) all reasonable comments and suggestions by Calyxt regarding such matters, including in respect of any actions, decisions, applications, amendments, submissions or correspondence related thereto. Notwithstanding the foregoing, subject to any rights granted to any third parties prior to the date hereof with respect to any Exclusively Licensed Collectis Patents, in the event that Collectis elects to abandon or otherwise cease prosecuting and maintaining any Exclusively Licensed Collectis Patent (excluding the Patents licensed to Collectis under the UMin License), prior to any such abandonment, Calyxt shall have the option to acquire at no cost any such Exclusively Licensed Collectis Patent and assume the responsibility for the prosecution and maintenance of such Exclusively Licensed Collectis Patent (it being understood that, in the event that Calyxt exercises such option to acquire such Exclusively Licensed Collectis Patent, (A) Collectis shall execute and deliver any documents and perform any other acts, in each case as may be reasonably necessary to effect the foregoing and (B) effective as of Calyxt acquiring ownership of such Exclusively Licensed Collectis Patent, such Exclusively Licensed Collectis Patent shall thereafter be automatically deemed to be licensed to Collectis under the licenses granted to Collectis pursuant to Section 2.05).

(b) As between the Parties, Calyxt shall have the sole and exclusive right to prosecute and maintain all Intellectual Property Rights owned or otherwise controlled by Calyxt or any of its Affiliates, including all Intellectual Property Rights in or to any Calyxt Improvements. To the extent that any Calyxt Improvement Patents relate to any subject matter outside of the Calyxt Field, Calyxt shall (i) keep Collectis reasonably informed of all steps to be taken in connection with the prosecution and maintenance of such Calyxt Improvement Patents, and (ii) consider in good faith all reasonable comments and suggestions by Collectis regarding such matters, including in respect of any actions, decisions, applications, amendments, submissions or correspondence related thereto. Notwithstanding the foregoing, in the event that Calyxt elects to abandon or otherwise cease prosecuting or maintaining any such Calyxt Improvement Patent related to any subject matter outside of the Calyxt Field, prior to any such abandonment, Collectis shall have the option to acquire at no cost any such Calyxt Improvement Patent and assume the responsibility for the prosecution and maintenance of such Calyxt Improvement Patent (it being understood that, in the event that Collectis exercises such option to acquire such Calyxt Improvement Patent, (x) Calyxt shall execute and deliver any documents and perform any other acts, in each case as may be reasonably necessary to effect the foregoing and (y) effective as of Collectis acquiring ownership of such Calyxt Improvement Patent, such Calyxt Improvement Patent shall thereafter be automatically deemed to be licensed to Calyxt under the Calyxt License).

Section 9.02. *Litigation.* (a) If either Party becomes aware of any actual or threatened infringement or other violation by any third party of any Licensed Collectis Patent or Calyxt Improvement Patent, or any challenge to any Licensed Collectis Patent or Calyxt Improvement Patent by any third party, then such Party shall promptly notify the other Party in writing thereof.

(b) Collectis shall have the first right, but not the obligation, at its expense and using counsel of its choice, to enforce any Licensed Collectis Patent against any Person or defend any challenge with respect to any such Licensed Collectis Patent. Collectis shall have sole and exclusive control of any decisions or other aspects of any such enforcement or defense; *provided* that if Collectis elects to not (i) enforce any Exclusively Licensed Collectis Patent against any infringement or other violation of the exclusive rights granted to Calyxt under the Calyxt License or (ii) defend any such Exclusively Licensed Collectis Patent from any challenge that would be reasonably expected to have a material adverse effect on Calyxt's exclusive rights under the Calyxt License, then in either case (but only to the extent that prior to the date hereof Collectis has not granted any third party any right to enforce or defend any such Exclusively Licensed Collectis Patent), Collectis shall promptly provide Calyxt with written notice of such election and, following receipt of such notice, Calyxt may, at its sole option and expense, enforce its rights under or defend any challenge to such Exclusively Licensed Collectis Patent, as applicable.

(c) Calyxt shall have the first right, but not the obligation, at its expense and using counsel of its choice, to enforce any Calyxt Improvement Patent against any Person or defend any challenge with respect to any such Calyxt Improvement Patent. Calyxt shall have sole and exclusive control of any decisions or other aspects of any such enforcement or defense; *provided* that if Calyxt elects to not (i) enforce any such Calyxt Improvement Patent against any infringement or other violation thereof outside of the Calyxt Field or (ii) defend any such Calyxt Improvement Patent from any challenge that would be reasonably expected to have a material adverse effect on Collectis' rights under the licenses granted to Collectis pursuant to Section 2.05, then in either case, Calyxt shall promptly provide Collectis with written notice of such election and, following receipt of such notice, Collectis may, at its sole option and expense, enforce its rights under or defend any challenge to such Calyxt Improvement Patent, as applicable.

(d) The Party controlling any enforcement or defense under Section 9.02(b) or 9.02(c) (the "**Controlling Party**") shall keep the other Party (the "**Non-Controlling Party**") reasonably and regularly informed of the status and progress of such enforcement or defense efforts, and shall reasonably consider the Non-Controlling Party's comments on any such efforts. The Non-Controlling Party shall provide the Controlling Party with all reasonable assistance in the enforcement or defense of any Exclusively Licensed Collectis Patents or Calyxt Improvement Patents, as applicable, as the Controlling Party may reasonably request, including by signing or executing any necessary documents and consenting to it being named a party to any applicable proceedings. The Non-Controlling Party shall have the right to be represented in any enforcement or defense of any Exclusively Licensed Collectis Patents or Calyxt Improvement Patents, as applicable, by counsel of its choice and at its own expense. Neither Party shall settle any action, suit, proceeding or other claim involving any Exclusively Licensed Collectis Patent or Calyxt Improvement Patent in any manner without the prior written consent of the other Party, such consent not to be unreasonably withheld.

(e) Any recoveries resulting from an action, suit, proceeding or other claim brought by a Party under Section 9.02(b) or 9.02(c) shall be first applied against payment of each Party's costs and expenses in connection therewith. Any such recoveries in excess of such costs and expenses (the "**Remainder**") shall be retained by the Controlling Party; *provided* that if Calyxt is the Controlling Party, the Remainder with respect to any enforcement of the Exclusively Licensed Collectis Patents shall be included in Net Sales and Bare Sublicense Revenue, as applicable, for purposes of calculating royalties and payments owed to Collectis hereunder.

(f) For the avoidance of doubt, as between the Parties, (i) Collectis shall have the sole and exclusive right, but not the obligation, to bring and control any legal action in connection with any actual, alleged, or threatened infringement of any Licensed Collectis Patents (A) outside of the Calyxt Field and (B) within the Non-Exclusive Field, in each case at Collectis' own expense as it reasonably determines appropriate and (ii) Calyxt shall have the sole and exclusive right, but not the obligation, to bring and control any legal action in connection with any actual, alleged, or threatened infringement of any Calyxt Improvement Patents within the Calyxt Field at its own expense as it reasonably determines appropriate.

ARTICLE 10 TERM AND TERMINATION

Section 10.01. *Term.* This Agreement shall remain in full force and effect in perpetuity unless earlier terminated, in whole or in part, pursuant to Section 10.02 or 10.03.

Section 10.02. *Mutual Agreement.* This Agreement may be terminated in its entirety at any time upon the mutual written agreement of the Parties.

Section 10.03. *For Cause.* Either Party may, by written notice to the other Party, immediately terminate this Agreement (a) if such other Party is in material breach of any provision of this Agreement (it being understood that if such breach is capable of being cured, such other Party shall have the right to cure such breach within sixty (60) days of receiving written notice thereof) and (b) upon the bankruptcy, dissolution or winding up of such other Party, or the making or seeking to make or arrange an assignment for the benefit of creditors of such other Party, or the initiation of proceedings in voluntary or involuntary bankruptcy, or the appointment of a receiver or trustee of such other Party's property that is not discharged within ninety (90) days.

Section 10.04. *Survival.* Notwithstanding anything in this Agreement to the contrary, Sections 2.05(a), 2.07, 3.02, 5.04, 6.02, 6.03, 9.02(f) and 10.04, and Articles 7, 8 and 11 shall survive any expiration or termination of this Agreement.

ARTICLE 11
MISCELLANEOUS

Section 11.01. *Assignment.* Neither this Agreement nor any rights or obligations hereunder may be assigned or otherwise transferred by either Party, in whole or in part, whether voluntarily or by operation of Applicable Law, without the prior written consent of the other Party; *provided* that either Party may, without the consent of the other Party, assign or otherwise transfer this Agreement to (a) any of its Affiliates or (b) any successor to all or substantially all of the assets or business of such Party to which this Agreement relates. Any attempted assignment or transfer in contravention of this Section 11.01 shall be void *ab initio*.

Section 11.02. *Notices.* All notices, requests and other communications to either Party hereunder shall be in writing (including facsimile transmission and electronic mail transmission, so long as a receipt of such electronic mail is requested and received) and shall be given,

if to Collectis, to:

Collectis S.A.
8 rue de la Croix Jarry
75013 Paris, France
Attention: Marie-Bleuenn Terrier
E-mail: marie-bleuenn.terrier@collectis.com

if to Calyxt, to:

Calyxt, Inc.
600 County Road D West, Suite 8
New Brighton, MN 55112
Attention: Federico A. Tripodi
E-mail: Federico.tripodi@calyxt.com

or such other address or facsimile number as such Party may hereafter specify for the purpose by notice to the other Party. All such notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt and such day is a Business Day in the place of receipt. Otherwise, any such notice, request or communication shall be deemed not to have been received until the next succeeding Business Day in the place of receipt.

Section 11.03. *Amendments and Waivers.* (a) Any provision of this Agreement may be amended or waived if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each Party, or in the case of a waiver, by the Party against whom the waiver is to be effective.

(b) No failure or delay by any Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Applicable Law.

Section 11.04. *Expenses.* Except as otherwise provided herein, all costs and expenses incurred in connection with this Agreement shall be paid by the Party incurring such cost or expense.

Section 11.05. *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of France

Section 11.06. *Jurisdiction.* The Parties agree that any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby shall be brought in a court of competent jurisdiction sitting in Paris, France and each of the Parties hereby irrevocably consents to the exclusive jurisdiction of such court (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any Party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each Party agrees that service of process on such Party as provided in Section 11.02 shall be deemed effective service of process on such Party.

Section 11.07. *WAIVER OF JURY TRIAL.* EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 11.08. *Counterparts; Effectiveness; Third Party Beneficiaries.* This Agreement may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. This Agreement shall become effective when each Party shall have received a counterpart hereof signed by the other Parties. Until and unless each Party has received a counterpart hereof signed by the other Party, this Agreement shall have no effect and neither Party shall have any right or obligation hereunder (whether by virtue of any other oral or written agreement or other communication). No provision of this Agreement is intended to confer any rights, benefits, remedies, obligations, or liabilities hereunder upon any Person other than the Parties and their respective successors and assigns; *provided* that the University of Minnesota shall be a third party beneficiary of Section 6.03.

Section 11.09. *Entire Agreement.* This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings, both oral and written, between the Parties with respect to the subject matter hereof and thereof.

Section 11.10. *Relationship of the Parties.* Nothing contained in this Agreement is intended or shall be deemed to make either Party the agent, employee, partner or joint venturer of the other Party or be deemed to provide such Party with the power or authority to act on behalf of the other Party or to bind the other Party to any contract, agreement or arrangement with any other individual or entity.

Section 11.11. *Severability.* If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other Governmental Authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to either Party. Upon such a determination, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

Section 11.12. *Specific Performance.* The Parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement or to enforce specifically the performance of the terms and provisions hereof in any court set forth in Section 11.06, in addition to any other remedy to which they are entitled at law or in equity.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed as of the date first written above.

CELLECTIS S.A.

By: /s/ André Choulika
Name: André Choulika
Title: Chief Executive Officer

CALYXT, INC.

By: /s/ Federico Tripodi
Name: Federico Tripodi
Title: Chief Executive Officer

Licensed TALEN Mark

Mark	Serial No.	Registration No.	Filing Date	Registration Date	Country
TALEN	79/107519	4,729,507	October 27, 2011	May 5, 2015	U.S.

PRELIMINARY NOTE

The unaudited condensed Interim Consolidated Financial Statements for the three-month and the nine-month periods ended September 30, 2017, included herein, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The consolidated financial statements are presented in U.S. dollars. Effective in the third quarter of 2017, Collectis changed the presentation currency of its consolidated financial statements from the euro to the U.S. dollar in order to enhance comparability with peers, which primarily present their financial statements in U.S. dollar. All references in this interim report to “\$,” “US\$,” “U.S.\$,” “U.S. dollars,” “dollars,” and “USD” mean U.S. dollars and all references to “€” and “euros” mean euros, unless otherwise noted.

This interim report, including “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 27A of the Securities Act. All statements other than present and historical facts and conditions contained in this interim report, including statements regarding our future results of operations and financial position, business strategy, plans and our objectives for future operations, are forward-looking statements. When used in this interim report, the words “anticipate,” “believe,” “can,” “could,” “estimate,” “expect,” “intend,” “is designed to,” “may,” “might,” “plan,” “potential,” “predict,” “objective,” “should,” or the negative of these and similar expressions identify forward-looking statements. Actual results, performance or events may differ materially from those projected in any forward-looking statement. Factors that may cause actual results to differ from those in any forward-looking statement include, without limitation, those described under “Risk Factors” and “Special Note Regarding Forward-Looking Statements” in our Annual Report on Form 20-F filed with the Securities and Exchange Commission on March 23, 2017 (the “Annual Report”). As a result of these factors, we cannot assure you that the forward-looking statements in this interim report will prove to be accurate. Furthermore, if our forward-looking statements prove to be inaccurate, the inaccuracy may be material. In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by us or any other person that we will achieve our objectives and plans in any specified time frame or at all. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

As used in this interim report, the terms “Collectis,” “we,” “our,” “us,” and “the Company” refer to Collectis S.A. and its subsidiaries, taken as a whole, unless the context otherwise requires.

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PART I – FINANCIAL INFORMATION

Item 1. Condensed Financial Statements (Unaudited)

Collectis S.A.
INTERIM STATEMENTS OF CONSOLIDATED FINANCIAL POSITION
 \$ in thousands

	Notes	As of	
		December 31, 2016	September 30, 2017
ASSETS			
Non-current assets			
Intangible assets		1,343	1,470
Property, plant, and equipment	5	16,900	8,229
Other non-current financial assets		691	989
Total non-current assets		18,935	10,688
Current assets			
Inventories		118	125
Trade receivables	6.1	3,627	2,897
Subsidies receivables	6.2	8,723	16,796
Other current assets	6.3	8,870	14,788
Current financial assets	7.1	36,592	40,240
Cash and cash equivalents	7.2	254,568	263,862
Total current assets		312,498	338,707
TOTAL ASSETS		331,432	349,395
LIABILITIES			
Shareholders' equity			
Share capital	11	2,332	2,365
Premiums related to the share capital		568,185	604,551
Treasury share reserve		(416)	(302)
Currency translation adjustment		(22,174)	(530)
Retained earnings		(207,875)	(251,413)
Net income (loss)		(67,255)	(72,266)
Total shareholders' equity—Group Share		272,795	282,405
Non-controlling interests		1,876	17,733
Total shareholders' equity		274,671	300,138
Non-current liabilities			
Non-current financial liabilities	8	30	17
Non-current provisions	14	560	697
Total non-current liabilities		590	714
Current liabilities			
Current financial liabilities	8	1,730	29
Trade payables		9,722	12,693
Deferred revenues and deferred income	10	38,929	29,763
Current provisions	14	594	923
Other current liabilities	9	5,196	5,135
Total current liabilities		56,171	48,543
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		331,432	349,395

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

Collectis S.A.
UNAUDITED INTERIM STATEMENTS OF CONSOLIDATED OPERATIONS
\$ in thousands, except per share amounts

	Notes	For the nine-month period ended September 30,	
		2016	2017
Revenues and other income			
Revenues	3.1	36,702	19,416
Other income	3.1	6,754	7,286
Total revenues and other income		43,456	26,702
Operating expenses			
Royalty expenses	3.2	(1,155)	(1,748)
Research and development expenses	3.2	(58,269)	(58,525)
Selling, general and administrative expenses	3.2	(31,063)	(31,830)
Other operating income and expenses		186	317
Total operating expenses		(90,300)	(91,787)
Operating income (loss)		(46,844)	(65,085)
Financial gain (loss)		(7,061)	(9,969)
Net income (loss)		(53,905)	(75,054)
Attributable to shareholders of Collectis		(53,905)	(72,266)
Attributable to non-controlling interests		—	(2,788)
Basic / Diluted net income (loss) per share attributable to shareholders of Collectis	13		
Basic net income (loss) per share (\$ /share)		(1.53)	(2.03)
Diluted net income (loss) per share (\$ /share)		(1.53)	(2.03)

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

UNAUDITED INTERIM STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
\$ in thousands

	For the nine-month period ended September 30,	
	2016	2017
Net income (loss)	(53,905)	(75,054)
Actuarial gains and losses	(105)	—
Other comprehensive income (loss) that will not be reclassified subsequently to income or loss	(105)	—
Currency translation adjustment	6,858	21,276
Other comprehensive income (loss) that will be reclassified subsequently to income or loss	6,858	21,276
	—	—
Total Comprehensive income (loss)	(47,152)	(53,778)
Attributable to shareholders of Collectis	(47,152)	(50,621)
Attributable to non-controlling interests	—	(3,157)

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

Collectis S.A.
UNAUDITED INTERIM STATEMENTS OF CONSOLIDATED OPERATIONS
\$ in thousands, except per share amounts

	Notes	For the three-month period ended September 30,	
		2016	2017
Revenues and other income			
Revenues	3.1	11,266	6,122
Other income	3.1	1,356	1,131
Total revenues and other income		12,622	7,253
Operating expenses			
Royalty expenses	3.2	(348)	(569)
Research and development expenses	3.2	(15,434)	(20,289)
Selling, general and administrative expenses	3.2	(9,726)	(12,153)
Other operating income and expenses		(15)	54
Total operating expenses		(25,522)	(32,956)
Operating income (loss)		(12,900)	(25,703)
Financial gain (loss)		(1,156)	(3,393)
Net income (loss)		(14,056)	(29,096)
Attributable to shareholders of Collectis		(14,056)	(26,154)
Attributable to non-controlling interests		—	(2,942)
Basic / Diluted net income (loss) per share attributable to shareholders of Collectis	13		
Basic net income (loss) per share (\$ /share)		(0.40)	(0.73)
Diluted net income (loss) per share (\$ /share)		(0.40)	(0.73)

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

UNAUDITED INTERIM STATEMENTS OF CONSOLIDATED COMPREHENSIVE INCOME (LOSS)
\$ in thousands

	For the three-month period ended September 30,	
	2016	2017
Net income (loss)	(14,056)	(29,096)
Actuarial gains and losses	—	—
Other comprehensive income (loss) that will not be reclassified subsequently to income or loss	—	—
Currency translation adjustment	841	8,877
Other comprehensive income (loss) that will be reclassified subsequently to income or loss	841	8,877
Total Comprehensive income (loss)	(13,215)	(20,219)
Attributable to shareholders of Collectis	(13,215)	(16,901)
Attributable to non-controlling interests	—	(3,318)

Collectis S.A.
UNAUDITED INTERIM STATEMENTS OF CONSOLIDATED CASH FLOWS
\$ in thousands

	Notes	For the nine-month period ended September 30,	
		2016	2017
Cash flows from operating activities			
Net loss for the period		(53,905)	(75,054)
Reconciliation of net loss and of the cash used in operating activities			
Adjustments for			
Amortization and depreciation		1,626	1,972
Net loss (income) on disposals		12	13
Net financial gain (loss)		7,063	9,969
Expenses related to share-based payments		44,534	38,940
Provisions		(492)	301
Interest (paid) / received		1,719	790
Operating cash flows before change in working capital		557	(23,069)
Decrease (increase) in inventories		58	7
Decrease (increase) in trade receivables and other current assets		(9,011)	(1,954)
Decrease (increase) in subsidies receivables		(6,908)	(6,688)
(Decrease) increase in trade payables and other current liabilities		(4,736)	1,866
(Decrease) increase in deferred income		(14,333)	(12,977)
Change in working capital		(34,931)	(19,746)
Net cash flows provided by (used in) operating activities		(34,374)	(42,814)
Cash flows from investment activities			
Proceeds from disposal of property, plant and equipment		—	6,957
Acquisition of intangible assets		(337)	(266)
Acquisition of property, plant and equipment		(12,564)	(1,867)
Net change in non-current financial assets		214	(120)
Sale (Acquisition) of current financial assets		(87,913)	(2,407)
Net cash flows provided by (used in) investing activities		(100,599)	2,297
Cash flows from financing activities			
Increase in share capital net of transaction costs		724	2,085
Shares of Calyxt issued to third parties		—	38,144
Decrease in borrowings		(82)	(30)
Treasury shares		(211)	114
Net cash flows provided by (used in) financing activities		430	40,313
(Decrease) increase in cash		(134,543)	(204)
Cash and cash equivalents at the beginning of the year		342,111	254,568
Effect of exchange rate changes on cash		366	9,498
Cash and cash equivalents at the end of the period	7	207,933	263,862

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

Collectis S.A.
UNAUDITED INTERIM STATEMENTS OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY
\$ in thousands, except share data

	Notes	Share Capital Ordinary Shares		Premiums related to share capital	Treasury shares reserve	Currency translation adjustment	Retained earnings (deficit)	Income (Loss)	Equity		Total Shareholders' Equity
		Number of shares	Amount						attributable to shareholders of Collectis	Non controlling interests	
As of January 1, 2016		35,178,614	2,323	509,938	(279)	(17,853)	(185,120)	(22,796)	286,213	789	287,002
Net Loss		—	—	—	—	—	—	(53,905)	(53,905)	—	(53,905)
Other comprehensive income (loss)		—	—	—	—	6,858	(105)	—	6,753	—	6,753
Total comprehensive income (loss)		—	—	—	—	6,858	(105)	(53,905)	(47,152)	—	(47,152)
Allocation of prior period loss		—	—	—	—	—	(22,796)	22,796	—	—	—
Treasury shares		—	—	—	(211)	—	—	—	(211)	—	(211)
Exercise of share warrants and employee warrants		154,958	9	727	—	—	(6)	—	730	—	730
Share based compensation	12	—	—	43,682	—	—	—	—	43,682	853	44,534
Other movements		—	—	—	—	—	(224)	—	(224)	—	(224)
As of September 30, 2016		<u>35,333,572</u>	<u>2,332</u>	<u>554,346</u>	<u>(491)</u>	<u>(10,995)</u>	<u>(208,251)</u>	<u>(53,905)</u>	<u>283,037</u>	<u>1,642</u>	<u>284,679</u>

As of January 1, 2017	35,335,060	2,332	568,185	(416)	(22,174)	(207,875)	(67,255)	272,795	1,876	274,671
Net Loss	—	—	—	—	—	—	(72,266)	(72,266)	(2,788)	(75,054)
Other comprehensive income (loss)	—	—	—	—	21,645	—	—	21,645	(369)	21,276
Total comprehensive income (loss)	—	—	—	—	21,645	—	(72,266)	(50,621)	(3,157)	(53,778)
Allocation of prior period loss	—	—	—	—	—	(67,255)	67,255	—	—	—
Capital Increase	466,950	26	—	—	—	(26)	—	—	—	—
Transaction with subsidiaries (1)	—	—	—	—	—	23,745	—	23,745	14,399	38,143
Treasury shares	—	—	—	114	—	—	—	114	—	114
Exercise of share warrants and employee warrants	11	126,730	7	2,078	—	—	—	2,085	—	2,085
Share based compensation	12	—	—	34,325	—	—	—	34,325	4,615	38,940
Other movements	—	—	(36)	—	—	(1)	—	(38)	—	(38)
As of September 30, 2017	<u>35,928,740</u>	<u>2,365</u>	<u>604,551</u>	<u>(302)</u>	<u>(530)</u>	<u>(251,413)</u>	<u>(72,266)</u>	<u>282,405</u>	<u>17,733</u>	<u>300,138</u>

- (1) Net proceeds to Calyxt from the Calyxt IPO of \$58.0 million after deduction of \$3.1 million of underwriting discounts and commissions and \$3.3 million of other offering expenses. Equity of Calyxt attributable to non-controlling interests of 20.2% is \$11.7 million and equity of Calyxt attributable to Collectis of 79.8% is \$26.4 million (after consideration of Collectis' investment in shares of Calyxt issued as part of the Calyxt IPO for a purchase price of \$20 million).

The accompanying notes form an integral part of these unaudited condensed Interim Consolidated Financial Statements

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
SEPTEMBER 30, 2017

Note 1. The Company

Collectis S.A. (hereinafter “Collectis” or “we”) is a limited liability company (“société anonyme”) registered and domiciled in Paris, France. We are a clinical-stage biopharmaceutical company focused on developing a new generation of cancer immunotherapies. Our product candidates, based on gene-edited T-cells that express chimeric antigen receptors, or CARs, seek to harness the power of the immune system to target and eradicate cancers. Our gene-editing technologies allow us to create allogeneic CAR T-cells, meaning they are derived from healthy donors rather than the patients themselves. In addition to our focus on immuno-oncology, we are exploring the use of our gene-editing technologies in other therapeutic applications, as well as, through our subsidiary, Calyxt Inc., to develop healthier food products for a growing population.

Note 2. Accounting principles

2.1 Basis for preparation

The Interim Consolidated Financial Statements of Collectis as of and for the nine-month period ended September 30, 2017 were approved by our Board of Directors on November 10, 2017.

Our Interim Consolidated Financial Statements are presented in U.S. dollars. See Note 2.2.

The Interim Consolidated Financial Statements for the nine-month period ended September 30, 2017 have been prepared in accordance with IAS 34 Interim Financial Reporting, as endorsed by the International Accounting Standards Board (“IASB”).

The Interim Consolidated Financial Statements for the nine-month period ended September 30, 2017 have been prepared using the same accounting policies and methods as those applied for the year ended December 31, 2016.

IFRS include International Financial Reporting Standards (“IFRS”), International Accounting Standards (“the IAS”), as well as the interpretations issued by the Standards Interpretation Committee (“the SIC”), and the International Financial Reporting Interpretations Committee (“IFRIC”).

Application of new or amended standards or new amendments

The following pronouncements and related amendments have been adopted by us from January 1, 2017 but had no significant impact on the Interim Consolidated Financial Statements:

- Amendments to IAS 7 “Statement of Cash Flows” (applicable for periods beginning after January 1, 2017)

Standards, interpretations and amendments issued but not yet effective

The following pronouncements and related amendments are applicable for first quarter accounting periods beginning after January 1, 2018. We do not anticipate that the adoption of these pronouncements and amendments will have a material impact on our results of operations, financial position or cash flows.

- IFRS 9 “Financial Instruments” (applicable for periods beginning after January 1, 2018)
- Amendments to IFRS 2 “Classification and Measurement of Share-based Payment Transactions” (applicable for periods beginning after January 1, 2018)
- IFRIC 22 “Foreign Currency Transactions and Advance Consideration” (applicable for periods beginning after January 1, 2018)
- Amendment to IFRS 9 “Financial Instruments – Prepayment Features with Negative Compensation” (applicable for periods beginning after January 1, 2019)
- IFRIC 23 “Uncertainty over Income Tax Treatments” (applicable for periods beginning after January 1, 2019)

IFRS 15 “Revenue from Contracts with Customers” establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 “Revenue”. IFRS 15 is effective for annual reporting periods beginning on or after January 1, 2018, with early adoption permitted.

Collectis began its IFRS 15 implementation project with a diagnostic phase. The different categories of contracts with customers of Collectis, which have been reviewed, are:

- Collaboration agreements
- Licensing agreements

Collectis will apply IFRS 15 with effect from January 1, 2018 using the retrospective method. It will lead to a deferral of collaboration revenue (especially milestone payments) from fiscal years of 2014 and 2015 with a negative opening equity adjustment of \$1.8 million for fiscal year 2016. Except for this opening equity impact, IFRS 15 will not have any impact in the financial statements for fiscal year 2016, and the nine-month period ended September 30, 2017.

In January 2016, the IASB issued IFRS 16 (“Leases”), which is effective for annual periods beginning on or after January 1, 2019. This new standard aligns the accounting treatment of operating leases with that already applied to finance leases (i.e. recognition in the balance sheet of future lease payments and the associated rights of use). Collectis is assessing the potential impact on its consolidated financial statements resulting from the application of IFRS 16.

2.2 Change in the presentation currency of the financial statements

The Interim Consolidated Financial Statements are presented in U.S. dollars, which differs from the functional currency of Collectis S.A., which is the Euro. We decided to change the reporting currency from Euro to U.S. dollars in the third quarter 2017, using the retrospective method. We believe that this change will enhance comparability with peers, which primarily present their financial statements in U.S. dollars.

The effects of the change in presentation currency on the comparative consolidated financial statements are as follows:

- The various items of assets and liabilities in dollars correspond to the amounts published in euros converted at the European Central Bank’s (“ECB”) daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period. The same methodology is applied for total equity. As a result, the change in the presentation currency of the consolidated financial statements has no effect on the various items of assets and liabilities in dollars, neither on total equity.
- The recalculation of translation adjustments has an effect on the allocation of total equity for the comparative periods presented between currency translation adjustments and other components of shareholders’ equity and the amount of other comprehensive income (loss), such as indicated in the following tables:

As of December 31, 2014	Consolidated financial statement as reported (€ in thousand)	Consolidated financial statement as reported converted (a) (\$ in thousand)	Adjustments (b)	Consolidated financial statement (\$ in thousand)
Shareholders’ equity				
Share capital	1,472	1,788	226	2,014
Premiums, Retained earnings and Net income	60,327	73,243	9,922	83,165
Treasury share reserve	(251)	(305)	(49)	(354)
Currency translation adjustment	(762)	(925)	(10,099)	(11,024)
Total shareholders’ equity—Group Share	60,786	73,801	—	73,801

- (a) Converted at the ECB’s closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e. 0.82365 euro for 1 dollar.

- (b) Difference between the historical exchange rates and the closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e., 0.82365 euro for 1 dollar.

As of December 31, 2015	Consolidated financial statement as reported (€ in thousand)	Consolidated financial statement as reported converted (a) (\$ in thousand)	Adjustments (b)	Consolidated financial statement (\$ in thousand)
Shareholders' equity				
Capital	1,759	1,915	408	2,323
Premiums, Retained earnings and Net income	262,950	286,274	15,748	302,021
Treasury share reserve	(184)	(200)	(80)	(279)
Currency translation adjustment	(1,632)	(1,776)	(16,077)	(17,853)
Total shareholders' equity—Group Share	262,894	286,213	—	286,213

- (a) Converted at the ECB's closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e. 0.91852 euro for 1 dollar.
- (b) Difference between the historical exchange rates and the ECB's closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e., 0.91852 euro for 1 dollar.

As of December 31, 2016	Consolidated financial statement as reported (€ in thousand)	Consolidated financial statement as reported converted (a) (\$ in thousand)	Adjustments (b)	Consolidated financial statement (\$ in thousand)
Shareholders' equity				
Capital	1,767	1,862	470	2,332
Premiums, Retained earnings and Net income	254,834	268,622	24,432	293,054
Treasury share reserve	(307)	(324)	(92)	(416)
Currency translation adjustment	2,500	2,635	(24,810)	(22,174)
Total shareholders' equity—Group Share	258,794	272,795	—	272,795

- (a) Converted at the ECB's closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e., 0.94867 euro for 1 dollar.
- (b) Difference between the historical exchange rates and the ECB's closing daily reference exchange rate for dollar / euro exchanges (as published by Banque de France) at the end of the period, i.e. 0.94867 euro for 1 dollar.

Net income (loss), Group Share	Consolidated financial statement as reported (€ in thousand)	Consolidated financial statement as reported converted (a) (\$ in thousand)	Adjustments	Consolidated financial statement (\$ in thousand)
2016	(60,776)	(67,255)	—	(67,255)
2015	(20,544)	(22,796)	—	(22,796)
2014	20	27	—	27

- (a) Converted at the average for the applicable annual period of the ECB's daily reference exchange rate for dollar / euro exchanges (as published by Banque de France), i.e. 0.90366 euro for 1 dollar in 2016, 0.90121 euro for 1 dollar in 2015 and 0.75254 euro for 1 dollar in 2014.

By convention and for practicability purpose, the differences have been recalculated on a cumulative basis from January 1, 2014.

The amounts shown in the income statements and in the cash flow statements in dollars correspond to the amounts reported in euros converted at the average for the applicable annual period of the ECB's daily reference exchange rate for dollar / euro exchanges (as published by Banque de France).

All financial information (unless indicated otherwise) is presented in thousands of U.S. dollars.

The statements of financial position of consolidated entities having a functional currency different from the U.S. dollar are translated into U.S. dollars at the closing exchange rate (spot exchange rate at the statement of financial position date) and the statements of income, statements of comprehensive income and statements of cash flow of such consolidated entities are translated at the average period to date exchange rate. The resulting translation adjustments are included in equity under the caption "Accumulated other comprehensive income (loss)" in the Consolidated Statements of Changes in Shareholders' Equity.

2.3 Consolidated entities and non-controlling interests

As of December 31, 2016 and for the nine-month period ended September 30, 2017 the consolidated group of companies (sometimes referred to as the "Group") includes Collectis S.A., Collectis, Inc. and Calyxt, Inc.

As of September 30, 2017, Collectis S.A. owns 100% of Collectis, Inc. and approximately 79.8% of Calyxt's outstanding shares of common stock.

Until July 25, 2017, Collectis S.A. fully owned Calyxt, Inc. On July 25, 2017, Calyxt closed its IPO with \$64.4 million in gross proceeds to Calyxt from the sale of 8,050,000 million shares at \$8 per share, including the full exercise of the underwriter's over-allotment option and Collectis' purchase of \$20.0 million of shares in the IPO. Calyxt's shares of common stock are traded on NASDAQ under the symbol "CLXT".

Note 3. Information concerning the Group's Consolidated Operations**3.1 Revenues and other income****3.1.1 For the nine-month periods ended September 30***Revenues by country of origin and other income*

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
From France	36,375	19,095
From USA	327	322
Revenues	36,702	19,416
Research tax credit	6,609	7,111
Subsidies and other	145	175
Other income	6,754	7,286
Total revenues and other income	43,456	26,702

Revenues by nature

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
Recognition of previously deferred upfront payments	15,923	11,142
Other revenues	18,671	6,590
Collaboration agreements	34,594	17,732
Licenses	2,035	1,627
Products & services	73	57
Total revenues	36,702	19,416

3.1.2 For the three-month periods ended September 30

Revenues by country of origin and other income

	For the three-month period ended September 30,	
	2016	2017
	\$ in thousands	
From France	11,162	6,084
From USA	104	38
Revenues	11,266	6,122
Research tax credit	1,334	1,103
Subsidies and other	22	28
Other income	1,356	1,131
Total revenues and other income	12,622	7,253

Revenues by nature

	For the three-month period ended September 30,	
	2016	2017
	\$ in thousands	
Recognition of previously deferred upfront payments	4,473	4,089
Other revenues	6,009	1,439
Collaboration agreements	10,482	5,528
Licenses	761	567
Products & services	22	27
Total revenues	11,266	6,122

3.2 Operating expenses

3.2.1 For the nine-month periods ended September 30

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
Royalty expenses	(1,155)	(1,748)

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
Research and development expenses		
Wages and salaries	(8,979)	(9,074)
Social charges on stock option grants	(1,883)	—
Non-cash stock based compensation expense	(25,583)	(18,853)
Personnel expenses	(36,445)	(27,927)
Purchases and external expenses	(20,735)	(29,090)
Other	(1,089)	(1,509)
Total research and development expenses	(58,269)	(58,525)

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
Selling, general and administrative expenses		
Wages and salaries	(3,324)	(4,951)
Social charges on stock option grants	(1,642)	—
Non-cash stock based compensation expense	(18,952)	(20,088)
Personnel expenses	(23,917)	(25,040)
Purchases and external expenses	(6,465)	(5,915)
Other	(681)	(875)
Total selling, general and administrative expenses	(31,063)	(31,830)

	For the nine-month period ended September 30,	
	2016	2017
	\$ in thousands	
Personnel expenses		
Wages and salaries	(12,303)	(14,026)
Social charges on stock option grants	(3,524)	—
Non-cash stock based compensation expense	(44,534)	(38,940)
Total personnel expenses	(60,362)	(52,966)

3.3 Reportable segments

Accounting policies

Reportable segments are identified as components of an enterprise that have discrete financial information available for evaluation by the Chief Operating Decision Maker (“CODM”), for purposes of performance assessment and resource allocation.

Collectis’ CODM is composed of:

- The Chairman and Chief Executive Officer;
- The Executive Vice President, Chief Operating Officer;
- The Executive Vice President Technical Operations;
- The Chief Scientific Officer;
- The Chief Financial Officer;
- The Vice President Business Development;
- The General Counsel;
- The Chief Medical Officer;
- The Chief Regulatory & Compliance Officer; and
- The Chief Executive Officer of Calyxt, Inc.

We view our operations and manage our business in two operating and reportable segments that are engaged in the following activities:

- *Therapeutics*: This segment is focused on the development (i) of products in the field of immuno-oncology and (ii) of novel therapies outside immuno-oncology to treat other human diseases. This approach is based on our gene editing and Chimeric Antigen Receptors (“CARs”) technologies. All these activities are supported by Collectis S.A. and Collectis, Inc. The operations of Collectis S.A., the parent company, are presented entirely in the Therapeutics segment which also comprises research and development, management and support functions.
- *Plants*: This segment is focused on creating healthier specialty food ingredients and agriculturally advantageous food crops through the use of gene editing technology for plants. It corresponds to the activity of our U.S.-based majority-owned subsidiary, Calyxt, Inc., which is currently based in New Brighton, Minnesota.

There are inter-segment transactions between the two reportable segments, including allocation of corporate general and administrative expenses by Collectis S.A. and the allocation of research and development expenses to the reportable segments.

With respect to corporate general and administrative expenses, Collectis S.A. provides Calyxt, Inc. with general sales and administrative functions, accounting and finance functions, investor relations, intellectual property, legal advice, human resources, communication and information technology pursuant to a management agreement. Under the management agreement, Collectis S.A. charges Calyxt, Inc. in euros at cost plus a mark-up ranging between zero to 10%, depending on the nature of the service. Amounts due to Collectis S.A. pursuant to inter-segment transactions bear interest at a rate of the 12-month Euribor plus 5% per annum.

The intersegment revenues represent the transactions between segments. Intra-segment transactions are eliminated within a segment's results and intersegment transactions are eliminated in consolidation as well as in key performance indicators by reportable segment.

Information related to each reportable segment is set out below. Segment revenues and other income, Research and development expenses, Selling, general and administrative expenses, and Royalties and other operating income and expenses, and Adjusted net income (loss) attributable to shareholders of Collectis (which does not include non-cash stock-based compensation expense) are used by the CODM for purposes of making decisions about allocating resources to the segments and assessing their performance. The CODM does not review any asset or liability information by segment or by region.

Adjusted Net Income (Loss) attributable to shareholders of Collectis is not a measure calculated in accordance with IFRS. Because Adjusted Income (Loss) attributable to shareholders of Collectis excludes Non-cash stock based compensation expense—a non-cash expense, management believes that this financial measure, when considered together with the Company's IFRS financial statements, can enhance an overall understanding of Collectis' financial performance. Moreover, management views the Company's operations, and manages its business, based, in part, on this financial measure.

Details of key performance indicators by reportable segment for the nine-month periods ended September 30

	For the nine-month period ended September 30, 2016			For the nine-month period ended September 30, 2017		
	Plants	Therapeutics	Total reportable segments	Plants	Therapeutics	Total reportable segments
\$ in thousands						
Segment revenues and other income	410	44,550	44,960	637	27,900	28,537
Inter-segment revenues	(83)	(1,421)	(1,504)	(128)	(1,707)	(1,835)
External revenues and other income	327	43,129	43,456	509	26,193	26,702
Research and development expenses	(2,837)	(55,432)	(58,269)	(4,216)	(54,309)	(58,525)
Selling, general and administrative expenses	(3,372)	(27,692)	(31,063)	(8,258)	(23,572)	(31,830)
Royalties and other operating income and expenses	(380)	(588)	(968)	(83)	(1,348)	(1,431)
Total operating expenses	(6,588)	(83,712)	(90,300)	(12,557)	(79,229)	(91,787)
Operating income (loss) before tax	(6,261)	(40,583)	(46,844)	(12,048)	(53,037)	(65,085)
Financial gain (loss)	(4)	(7,056)	(7,061)	(131)	(9,837)	(9,969)
Net income (loss)	(6,266)	(47,639)	(53,905)	(12,179)	(62,874)	(75,054)
Non-controlling interests	—	—	—	(2,788)	—	(2,788)
Net income (loss) attributable to shareholders of Collectis	(6,266)	(47,639)	(53,905)	(9,392)	(62,874)	(72,266)
Adjustment of share-based compensation	853	43,682	44,534	4,615	34,325	38,940
Adjusted net income (loss) attributable to shareholders of Collectis	(5,413)	(3,958)	(9,371)	(4,776)	(28,549)	(33,326)
Depreciation and amortization	(150)	(1,476)	(1,626)	(417)	(1,555)	(1,972)
Additions to tangible and intangible assets	10,290	2,944	13,234	680	1,463	2,143

Details of key performance indicators by reportable segment for the three-month periods ended September 30

	For the three-month period ended September 30, 2016			For the three-month period ended September 30, 2017		
	Plants	Therapeutics	Total reportable segments	Plants	Therapeutics	Total reportable segments
\$ in thousands						
Segment revenues and other income	136	12,959	13,095	144	7,700	7,843
Inter-segment revenues	(32)	(440)	(473)	(43)	(547)	(590)
External revenues and other income	105	12,517	12,622	100	7,153	7,253
Research and development expenses	(934)	(14,500)	(15,434)	(1,847)	(18,442)	(20,289)
Selling, general and administrative expenses	(1,266)	(8,460)	(9,726)	(4,569)	(7,583)	(12,153)
Royalties and other operating income and expenses	(46)	(316)	(363)	(5)	(509)	(515)
Total operating expenses	(2,246)	(23,276)	(25,522)	(6,422)	(26,534)	(32,956)
Operating income (loss) before tax	(2,141)	(10,759)	(12,900)	(6,322)	(19,381)	(25,703)
Financial gain (loss)	(38)	(1,118)	(1,156)	53	(3,446)	(3,393)
Net income (loss)	(2,179)	(11,877)	(14,056)	(6,269)	(22,827)	(29,096)
Non-controlling interests	—	—	—	(2,942)	—	(2,942)
Net income (loss) attributable to shareholders of Collectis	(2,179)	(11,877)	(14,056)	(3,327)	(22,827)	(26,154)
Adjustment of share-based compensation	348	13,177	13,526	3,051	9,758	12,810
Adjusted net income (loss) attributable to shareholders of Collectis	(1,832)	1,300	(530)	(276)	(13,069)	(13,345)
Depreciation and amortization	(81)	(507)	(588)	(149)	(533)	(682)
Additions to tangible and intangible assets	90	407	498	62	340	403

Reconciliation of Plant result of operations

Since Calyxt, Inc., the agricultural biotechnology subsidiary of Cellectis, is a U.S. entity, its financial statements have been prepared in accordance with U.S. GAAP. However, the Plant segment operations, as previously described, have been prepared in accordance with IFRS. The tables below present a reconciliation of the main figures of results of operations for our Plant segment with Calyxt stand alone financial statements.

Reconciliation of Plant Segment result of operations for the nine-month period ended September 30, 2017

	For the nine-month period ended September 30, 2017						Calyxt Stand alone financial statements (US GAAP)
	Cellectis Consolidated financial statements Reportable segments note (IFRS)	Calyxt equity award plan IFRS/US GAAP difference: Non cash stock-based compensation (1)	Cellectis and Calyxt equity award IFRS/US GAAP difference: Non cash stock-based compensation (1)	Intersegment transactions (2)	Reclassifications (3)	Other (4)	
\$ in thousands							
External revenues and other income	509	—	—	128	(316)	1	322
Research and development expenses	(4,216)	518	(5,013)	—	(457)	10	(9,157)
Selling, general and administrative expenses	(8,258)	4,097	(4,968)	(1,654)	660	(18)	(10,141)
Royalties and other operating income and expenses	(83)	—	—	(54)	86	50	—
Total operating expenses	(12,557)	4,615	(9,980)	(1,707)	290	42	(19,298)
Operating income (loss) before tax	(12,048)	4,615	(9,980)	(1,579)	(26)	42	(18,976)
Financial gain (loss)	(131)	—	—	(43)	26	(6)	(155)
Net income (loss)	(12,179)	4,615	(9,980)	(1,623)	—	37	(19,131)

Reconciliation of Plant Segment result of operations for the nine-month period ended September 30, 2016

	For the nine-month period ended September 30, 2016						Calyxt Stand alone financial statements (US GAAP)
	Calyxt equity award plan IFRS/US GAAP difference: Non cash stock-based compensation (1)	Collectis equity award IFRS/US GAAP difference: Non cash stock-based compensation (1)	Intersegment transactions (2)	Reclassifications (3)	Other (4)		
\$ in thousands							
External revenues and other income	327	—	—	83	(83)	—	327
Research and development expenses	(2,837)	373	(790)	—	(728)	69	(3,912)
Selling, general and administrative expenses	(3,372)	480	(17)	(1,388)	608	(65)	(3,753)
Royalties and other operating income and expenses	(380)	—	—	(34)	213	—	(200)
Total operating expenses	(6,588)	853	(807)	(1,421)	93	4	(7,865)
Operating income (loss) before tax	(6,261)	853	(807)	(1,338)	10	4	(7,538)
Financial gain (loss)	(4)	—	—	(3)	(10)	21	5
Net income (loss)	(6,266)	853	(807)	(1,341)	—	26	(7,533)

Reconciliation of Plant Segment result of operations for the three-month period ended September 30, 2017

For the three-month period ended September 30, 2017

€ in thousands	Collectis Consolidated financial statements Reportable segments note (IFRS)	Calyxt equity award plan IFRS/US GAAP difference: Non cash stock-based compensation (1)	Collectis and Calyxt equity award IFRS/US GAAP difference: Non cash stock-based compensation (1)	Intersegment transactions (2)	Reclassifications (3)	Other (4)	Calyxt Stand alone financial statements (US GAAP)
External revenues and other income	100	—	—	43	(107)	8	44
Research and development expenses	(1,847)	252	(5,010)	—	(156)	324	(6,438)
Selling, general and administrative expenses	(4,569)	2,800	(4,770)	(526)	250	263	(6,553)
Royalties and other operating income and expenses	(5)	—	—	(21)	(14)	40	—
Total operating expenses	(6,422)	3,051	(9,781)	(547)	81	627	(12,991)
Operating income (loss) before tax	(6,322)	3,051	(9,781)	(504)	(27)	634	(12,947)
Financial gain (loss)	53	—	—	(26)	27	(10)	43
Net income (loss)	(6,269)	3,051	(9,781)	(530)	—	624	(12,904)

Reconciliation of Plant Segment result of operations for the three-month period ended September 30, 2016

	For the three-month period ended September 30, 2016						
	Collectis Consolidated financial statements Reportable segments note (IFRS)	Calyxt equity award plan IFRS/US GAAP difference: Non cash stock-based compensation (1)	Collectis equity award IFRS/US GAAP difference: Non cash stock-based compensation (1)	Intersegment transactions (2)	Reclassifications (3)	Other (4)	Calyxt Stand alone financial statements (US GAAP)
\$ in thousands							
External revenues and other income	105	—	—	32	(32)	—	105
Research and development expenses	(934)	162	(207)	—	(240)	(18)	(1,236)
Selling, general and administrative expenses	(1,266)	185	(4)	(429)	215	(56)	(1,354)
Royalties and other operating income and expenses	(46)	—	—	(11)	59	(2)	—
Total operating expenses	(2,246)	348	(212)	(440)	35	(76)	(2,590)
Operating income (loss) before tax	(2,141)	348	(212)	(408)	3	(76)	(2,485)
Financial gain (loss)	(38)	—	—	(1)	(3)	21	(22)
Net income (loss)	(2,179)	348	(212)	(410)	—	(55)	(2,507)

- (1) Calyxt equity award plan: In IFRS, the Calyxt equity award plan non-cash stock based compensation is recorded for stock options and other equity compensation plan awards issued by all entities of the consolidated group. The grant-date fair value of share warrants, employee warrants, stock options and free shares granted to employees is recognized as a payroll expense over the vesting period. In U.S. GAAP, the expenses related to the stock options granted in 2014, 2015 and 2016 under the Calyxt, Inc. Equity Incentive Existing Plan and in 2017 under the Omnibus Plan are only incurred upon a triggering event or Initial Public Offering of the Calyxt, Inc., as defined by the plan. Accordingly, with the completion of the IPO on July 25, 2017, Calyxt recognized compensation expense of \$5.6 million for stock options granted under the plans for the three and nine-month period ended September 30, 2017. The stock options issued under the plans had an exercise price equal to the estimated fair value of the stock at the grant date for the Omnibus Plan and the IPO date for the Existing Plan.

Collectis equity award: Since 2016, Collectis allocates share-based compensation to the share-related entity (rather than the entity related to the employee that benefited from such compensation), considering that the share-based compensation is an expense linked to such entity's performance. Consequently, in the segment disclosure, all share-based compensation based on Collectis shares have been charged in the Therapeutics segment, even if some Calyxt employees are included in a Collectis stock-option plan. However, the Collectis equity award plan non-cash stock based compensation expenses related to Collectis stock-option plans have been recorded in the Calyxt stand-alone financial statements prepared under U.S. GAAP.

- (2) Intersegment transactions primarily relate to management fees invoiced by Collectis to Calyxt. Intersegment transactions are eliminated in the consolidated financial statements as well as in Collectis' presentation of key performance indicators by reportable segment. However, intersegment transactions are included in Calyxt's stand-alone financial metrics.
- (3) Reclassifications relate to expenses, which are classified differently under IFRS for Collectis' consolidated financials and U.S. GAAP for Calyxt's stand-alone financial statements.
- (4) Other principally reflects adjustments recorded in the Calyxt stand-alone financial statements, which are immaterial when considered by Collectis on a consolidated basis for purposes of the Collectis consolidated financial statements. Note that this category includes the restatement of Calyxt's sale and lease back transaction with respect to its Roseville, Minnesota property, which is recorded as finance lease in US GAAP and in operating lease under IFRS. It also includes foreign exchange impacts related to the translation of Calyxt financials in euros for consolidation purposes.

Note 4. Impairment tests

Our cash-generating units (“CGUs”) correspond to the operating/reportable segments: Therapeutics and Plants.

No indicator of impairment has been identified for any intangible or tangible assets in either of the CGUs at the end of September 30, 2016 and 2017.

Note 5. Property, plant and equipment

	<u>Lands and Buildings</u>	<u>Technical equipment</u>	<u>Fixtures, fittings and other equipment</u>	<u>Assets under construction</u>	<u>Total</u>
	\$ in thousands				
Net book value as of January 1, 2016	2,072	2,897	340	182	5,490
Additions to tangible assets	10,642	727	395	1,018	12,782
Disposal of tangible assets	—	—	(1)	—	(1)
Depreciation expense	(536)	(738)	(150)	—	(1,425)
Reclassification	—	—	—	(12)	(12)
Translation adjustments	23	38	3	—	64
Net book value as of September 30, 2016	12,200	2,923	587	1,188	16,899
Gross value at end of period	14,778	12,352	992	1,188	29,310
Accumulated depreciation and impairment at end of period	(2,577)	(9,429)	(405)	—	(12,411)
Net book value as of January 1, 2017	12,436	2,859	707	898	16,900
Additions to tangible assets	146	550	176	1,128	2,000
Disposal of tangible assets	(9,243)	—	—	(3)	(9,247)
Reclassification	—	47	18	(64)	—
Depreciation expense	(766)	(851)	(181)	—	(1,799)
Translation adjustments	150	115	61	47	374
Net book value as of September 30, 2017	2,724	2,718	782	2,005	8,229
Gross value at end of period	6,246	11,925	1,402	2,005	21,579
Accumulated depreciation and impairment at end of period	(3,523)	(9,207)	(621)	—	(13,351)

For the nine-month period ended September 30, 2017, we recorded a sale and lease-back transaction related to Calyxt’s land and an existing building, which total net book value was \$9.2 million. We also continue our investments in R&D equipment in both the United States of America and France. The addition in tangible assets (including assets under construction) reflects improvements for Calyxt Inc. and Collectis S.A. sites for \$1.3 million and other equipment for \$0.7 million.

Note 6. Trade receivables and other current assets**6.1 Trade receivables**

	As of December 31, 2016	As of September 30, 2017
	\$ in thousands	
Trade receivables	3,914	3,253
Valuation allowance	(287)	(356)
Total net value of trade receivables	3,627	2,897

All trade receivables have payment terms of less than one year.

6.2 Subsidies receivables

	As of December 31, 2016	As of September 30, 2017
	\$ in thousands	
Research tax credit	8,389	16,318
Other subsidies	1,500	1,783
Valuation allowance for other subsidies	(1,166)	(1,306)
Total	8,723	16,796

Research tax credit receivables as of September 30, 2017 include the accrual for a French research tax credit related to 2016 for \$8.5 million and related to the nine-month period ended September 30, 2017 for \$7.1 million. The remaining amount relates to tax credits in the United States.

6.3 Other current assets

	As of December 31, 2016	As of September 30, 2017
	\$ in thousands	
VAT receivables	1,605	2,204
Prepaid expenses and other prepayments	6,616	9,044
Deferred expenses	—	2,277
Other current assets	648	1,263
Total	8,870	14,788

Prepaid expenses and other prepayments primarily include advances to our sub-contractors on research and development activities. They mainly relate to advance payments to suppliers of biological raw materials and to third parties participating in product manufacturing.

During the nine-month period ended September 30, 2017, we prepaid certain manufacturing costs related to our product candidates UCART 123, UCART CS1 and UCART22 of which the delivery of products or services is expected in the coming months.

The deferred expense of \$2.3 million as of September 30, 2017 is related to the sale and lease-back transaction entered into by Calyxt.

Other current assets as of September 30, 2017 include \$0.5 million of tax receivables.

Note 7. Current financial assets and Cash and cash equivalents

As of December 31, 2016	Carrying amount	Unrealized Gains/(Losses)	Estimated fair value
	\$ in thousands		
Current financial assets	36,592	—	36,592
Cash and cash equivalents	254,568	—	254,568
Current financial assets and cash and cash equivalents	291,159	—	291,159
	Carrying amount	Unrealized Gains/(Losses)	Estimated fair value
	\$ in thousands		
As of September 30, 2017			
Current financial assets	40,240	—	40,240
Cash and cash equivalents	263,862	—	263,862
Current financial assets and cash and cash equivalents	304,102	—	304,102

7.1 Current financial assets

Current financial assets are measured at fair value through profit or loss and are classified as follows within the fair value hierarchy:

- Instruments classified under level 1 are measured with reference to quoted prices in active markets; they consist of notes indexed to equity index and funds performance. Their fair value amount to \$39.8 million as of September 30, 2017.
- Instrument classified under level 2 are measured with reference to observable valuation inputs; they consist in zero-premium accumulator, and amount to \$0.4 million of such current financial assets as of September 30, 2017.

7.2 Cash and cash equivalents

	As of December 31, 2016	As of September 30, 2017
	\$ in thousands	
Cash and bank accounts	222,088	227,616
Money market funds	12,451	12,634
Fixed bank deposits	20,028	23,612
Total cash and cash equivalents	254,568	263,862

Money market funds earn interest and are refundable overnight. Fixed bank deposits have fixed terms that are less than three months or are readily convertible to a known amount of cash.

Note 8. Financial liabilities**8.1 Detail of financial liabilities**

	As of December 31, 2016	As of September 30, 2017
	\$ in thousands	
Finance leases	30	17
Total non-current financial liabilities	30	17
Finance leases	38	27
Derivative instruments	1,692	2
Total current financial liabilities	1,730	29
Trade payables	9,722	12,693
Other current liabilities	5,196	5,135
Total Financial liabilities	16,678	17,873

Derivative instruments consist of the fair value of zero premium collar instruments that are classified under level 2 in the fair value hierarchy.

The change in trade payables is mainly due to (i) higher external expenses linked with UCART123 and other product candidates' manufacturing costs and (ii) external expenses related to the IPO of Calyxt.

8.2 Due dates of the financial liabilities

Balance as of September 30, 2017	Gross Amount	Less than One Year	One to Five Years	More than Five Years
	\$ in thousands			
Finance leases	44	27	17	—
Derivative instruments	2	2	—	—
Financial liabilities	46	29	17	—
Trade payables	12,693	12,693	—	—
Other current liabilities	5,135	5,135	—	—
Total financial liabilities	17,873	17,856	17	—

Note 9. Other current liabilities

	<u>As of December 31,</u> <u>2016</u>	<u>As of September 30,</u> <u>2017</u>
	<u>\$ in thousands</u>	
VAT payables	192	37
Accruals for personnel related expenses	4,141	4,525
Other	864	572
Total	<u>5,196</u>	<u>5,135</u>

Accruals for personnel related expenses are mainly related to annual bonuses, vacations accruals and social charges.

As of September 30, 2017, the decrease in "Other" is due to the reimbursement of a subsidy of \$0.3 million, that have been received in excess during previous year.

Note 10. Deferred revenues and deferred income

	<u>As of December 31,</u> <u>2016</u>	<u>As of September 30,</u> <u>2017</u>
	<u>\$ in thousands</u>	
Deferred revenues	38,768	29,744
Lease incentive	161	18
Total Deferred revenue and deferred income	<u>38,929</u>	<u>29,763</u>

Deferred revenues are related to upfront payments in relation to with collaboration agreements that are recognized in revenue as the collaboration services are performed.

Note 11. Share capital and premium related to the share capitals

<u>Nature of the Transactions</u>	<u>Share Capital</u>	<u>Share premium</u>	<u>Number of shares</u>	<u>Nominal value</u>
		<u>\$ in thousands</u>		<u>in \$</u>
Balance as of January 1, 2016	2,323	509,938	35,178,614	0.05
Capital increase by issuance of ordinary shares (BSA, BSPCE and free shares)	9	727	154,958	—
Share based compensation	—	43,682	—	—
Balance as of September 30, 2016	2,332	554,346	35,333,572	0.05
Balance as of January 1, 2017	2,332	568,185	35,335,060	0.05
Capital increase by issuance of ordinary shares (BSA, BSPCE and free shares)	33	2,078	593,680	—
Share based compensation	—	34,325	—	—
Other movements	—	(36)	—	—
Balance as of September 30, 2017	2,365	604,551	35,928,740	0.05

Capital evolution during the nine-month period ended September 30, 2017

- During the nine-month period ended September 30, 2017, 126,179 ordinary shares were issued upon the exercise of 121,492 employee warrants (“bons de souscription de parts de créateurs”) for a total amount of \$1,924,278; 466,950 free shares were converted to 466,950 ordinary shares; 551 ordinary shares were issued upon the exercise of 551 stock options for a total amount of \$13,733 and 148,000 ordinary shares were issued upon subscription of 148,000 non-employees warrants (“bons de souscription d’actions”) for a total amount of \$140,036.

Note 12. Non-cash share-based compensation

The new instruments issued during the nine-month period ended September 30, 2017 are the following:

- June 14, 2017, 2,119,698 Calyxt Inc. stock options were granted to certain of Calyxt Inc.’s and Collectis S.A.’s and Collectis Inc.’s employees, officers, members of the board of directors, and consultants. In connection with such stock option grants, non-cash stock-based compensation expense recorded during the nine-month period ended September 30, 2017 was \$1.0 million.
- June 14, 2017, 1,452,333 Calyxt Inc. restricted stock units were granted to certain of Calyxt Inc.’s and Collectis S.A.’s and Collectis Inc.’s employees, officers, members of the board of directors and consultants. In connection with such stock option grants, non-cash stock-based compensation expense recorded during the nine-month period ended September 30, 2017 was \$2.5 million.

Subsequent to the grant date of these instruments, on July 20, 2017, Calyxt executed a 2.45-to-1 stock-split, which applied to the total number of Calyxt Inc.’s shares of common stock options. Data presented herein include the impact of this stock-split on the granted stock options and restricted stock units.

Non-employee warrants which are referred to as “*bon de souscription d’action*” (or BSA) are granted to the members of the board of directors of Collectis S.A. and consultants to Collectis S.A. and Collectis Inc.

Holders of vested Collectis stock options and warrants are entitled to exercise such options and warrants to purchase Collectis ordinary shares at a fixed exercise price established at the time of such options and warrants are granted.

The following table provides the expenses related to share-based compensation instruments during the quarters and the nine-month periods ended September 30, 2016 and 2017:

Non-cash share-based compensation expense for the nine-month period ended September 30

Non-cash share-based compensation expense For the nine-month period ended	Free shares 2014 and before	Free shares 2015	Stock options 2015	BSA 2015	Stock options Calyxt 2015	Stock options 2016	BSA 2016	Stock options Calyxt 2016	Stock options Calyxt 2017	RSU Calyxt 2017	Total
	\$ in thousands										
September 30, 2016	102	5,406	25,595	2,915	265	8,937	727	587	—	—	44,534
September 30, 2017	1	2,550	10,118	1,326	149	19,169	1,161	530	1,160	2,776	38,940

Non-cash share-based compensation expense for the three-month period ended September 30

Non-cash share-based compensation expense For the three-month period ended	Free shares 2014 and before	Free shares 2015	Stock options 2015	BSA 2015	Stock options Calyxt 2015	Stock options 2016	BSA 2016	Stock options Calyxt 2016	Stock options Calyxt 2017	RSU Calyxt 2017	Total
	\$ in thousands										
September 30, 2016	1	1,703	6,363	816	160	4,051	244	187	—	—	13,526
September 30, 2017	—	32	3,219	381	43	5,755	371	155	852	2,001	12,810

Detail of Calyxt stock options issued during the nine-month period ended September 30, 2017

Date of grant	06/14/2017
Vesting period	Graded
Plan expiration date	06/14/2027
Number of options granted	2,119,698
Share entitlement per options	1
Exercise price (in \$ per share)	13.29
Valuation method used	Black-Scholes
Grant date share fair value (in \$ per share)	13.29
Expected volatility	25.0%
Average life of options	6.57
Discount rate	1.96%
Expected dividends	0%
Performance conditions	n.a
Fair value per options (in \$ per share)	4.00

Detail of Calyxt restricted stock unit issued during the nine-month period ended September 30, 2017

Date of grant	06/14/2017
Vesting period	Graded
Number of RSU granted	1,452,333
Share entitlement per RSU	1
Grant date share fair value (in \$ per share)	13.29
Expected dividends	0%
Performance conditions	n.a

The Calyxt Inc. options and RSU granted on June 14, 2017 shall vest as follows:

- C-Level, Directors and Consultants of Calyxt Inc. and directors, employees and consultants of Collectis S.A. and Collectis Inc.
 - 15% of the total Number of Shares on June 14, 2018;
 - 15% of the total Number of Shares on June 14, 2019;
 - 5% vest each quarter after the second anniversary of the grant.
- CFO and CCO of Calyxt Inc.
 - 20% of the total Number of Shares on June 14, 2017;
 - 10% of the total Number of Shares on June 14, 2019;
 - 5% vest each quarter after the second anniversary of the grant.
- Employees of Calyxt Inc.
 - 15% of the total Number of Shares on June 14, 2018;
 - 10% of the total Number of Shares on June 14, 2019;
 - 5% vest each quarter after the second anniversary of the grant.

Note 13. Earnings per share

13.1 For the nine-month periods ended September 30

	For the nine-month period ended September 30,	
	2016	2017
Net income (loss) attributable to shareholders of Collectis (\$ in thousands)	(53,905)	(72,266)
Adjusted weighted average number of outstanding shares	35,274,890	35,604,374
Adjusted weighted average number of outstanding shares, net of effects of dilutive potential ordinary shares	35,695,907	35,626,736
Basic / Diluted net income (loss) per share (\$ / share)		
Basic net income (loss) per share (\$ /share)	(1.53)	(2.03)
Diluted net income (loss) per share (\$ /share)	(1.53)	(2.03)

13.2 For the three-month periods ended September 30

	For the three-month period ended September 30,	
	2016	2017
Net income (loss) attributable to shareholders of Collectis (\$ in thousands)	(14,056)	(26,154)
Adjusted weighted average number of outstanding shares	35,333,572	35,917,975
Adjusted weighted average number of outstanding shares, net of effects of dilutive potential ordinary shares	35,713,432	35,938,145
Basic / Diluted earnings per share (\$ / share)		
Basic net income (loss) per share (\$ /share)	(0.40)	(0.73)
Diluted net income (loss) per share (\$ /share)	(0.40)	(0.73)

Note 14. Provisions

	1/1/2017	Additions	Amounts used during the period		OCI	09/30/2017
			Reversals			
\$ in thousands						
Pension	560	65	—	—	71	697
Employee litigation and severance	121	28	(49)	(80)	8	29
Commercial litigation	468	545	(101)	(100)	77	889
Redundancy plan	6	—	—	—	1	6
Total	1,155	639	(150)	(180)	156	1,620
Non-current provisions	560	65	—	—	71	697
Current provisions	594	573	(150)	(180)	86	923

During the nine-month period ended September 30, 2017, we recorded provisions for operating charges linked with discussions with suppliers for \$545 thousand. Amounts used during the nine-month period ended September 30, 2017 mainly consist of the payments to a former supplier and in settlement of employee litigations.

Note 15. Commitments

As of September 30, 2017	Total	Less than 1	1 - 3 years	3 - 5 years	More than 5
		year			years
			\$ in thousands		
Sale and lease-back agreement	30,208	870	2,689	2,672	23,978
Facility lease agreements	14,148	3,131	6,152	1,998	2,867
License agreements	19,647	1,238	2,475	2,475	13,459
Manufacturing agreements	10,265	10,265	—	—	—
Other agreements	1,700	1,700	—	—	—
Total contractual obligations	<u>75,969</u>	<u>17,204</u>	<u>11,316</u>	<u>7,145</u>	<u>40,304</u>

Obligations under the terms of the sale and lease-back agreement

The sale and lease-back agreement subscribed by Calyxt in the third quarter of 2017 have been subscribed for a defined term and is classified as an operating lease agreement under IFRS. It results in off-balance sheet commitments.

Obligations under the terms of the facility lease agreements

Facility lease agreements in Paris, France, and in New York City, New York; Montvale, New Jersey; New Brighton, Minnesota; and Roseville, Minnesota (all in the USA) have been subscribed for a defined term. Future payments of these leases, along with the letters of credit provided to the landlords of the Company's facilities in New York and in New Brighton, are off balance sheets commitments.

Obligations under the terms of license agreements

The Company has entered into various license agreements with third parties that subject it to certain fixed license fees, as well as fees based on future events, such as research and sales milestones.

The Company has collaboration agreements whereby it is obligated to pay royalties and milestones based on future events that are uncertain and therefore they are not included in the table above.

Obligations under the terms of manufacturing agreements

We have manufacturing agreements whereby we are obligated to pay services rendered in the next year regarding our products UCART123, UCARTCS1 and UCART22.

Note 16. Subsequent events

On October 11, 2017, the board of directors granted 1,220,000 Collectis stock options under a new 2017 Stock Option Plan with an exercise price of €22.57 per ordinary share to certain of our employees, executive officers, members of the Chief Operating Decision Maker and directors of Collectis S.A. and certain employees of Collectis, Inc. In addition, on October 11, 2017, 240,000 non-employee warrants exercisable for an aggregate of 240,000 ordinary shares at an exercise price of €24.34 per share, were issued by our board of directors to certain of our independent directors.

Item 2. Management's Discussion & Analysis of Financial Condition and Results of Operations

Overview

We are a clinical stage biopharmaceutical company, employing our core proprietary technologies to develop best-in-class products in the emerging field of immuno-oncology. Our product candidates, based on gene-edited T-cells that express chimeric antigen receptors, or CARs, seek to harness the power of the immune system to target and eradicate cancers. We believe that CAR-based immunotherapy is one of the most promising areas of cancer research, representing a new paradigm for cancer treatment. We are designing next-generation immunotherapies that are based on gene-edited CAR T-cells. Our gene-editing technologies allow us to create allogeneic CAR T-cells, meaning they are derived from healthy donors rather than the patients themselves. We believe that the allogeneic production of CAR T-cells will allow us to develop cost-effective, "off-the-shelf" products and are capable of being stored and distributed worldwide. Our gene-editing expertise also enables us to develop product candidates that feature additional safety and efficacy attributes, including control properties designed to prevent them from attacking healthy tissues, to enable them to tolerate standard oncology treatments, and to equip them to resist mechanisms that inhibit immune-system activity. In addition to our focus on immuno-oncology, we are exploring the use of our gene-editing technologies in other therapeutic applications, as well as to develop, through our subsidiary Calyxt Inc., healthier food products for a growing population.

We currently conduct our operations through two business segments, Therapeutics and Plants. Our Therapeutics segment is focused on the development of products in the field of immuno-oncology and of novel products outside immuno-oncology to treat other human diseases. Our Plants segment focuses on applying our gene-editing technologies to develop new generation plant products in the field of agricultural biotechnology through its own efforts or through alliances with other companies in the agricultural market.

Since our inception in early 2000, we have devoted substantially all of our financial resources to research and development efforts. Our current research and development focuses primarily on our CAR T-cell immunotherapy product candidates, including conducting and preparing to conduct clinical studies of our product candidates, providing general and administrative support for these operations and protecting our intellectual property. In addition, by leveraging our plant-engineering platform and the transformative potential of gene editing, we aim to create food products with consumer health benefits, adaptations for climate change or nutritional enhancements that address the needs of a growing population. We do not have any products approved for sale and have not generated any revenues from immunotherapy or agricultural biotechnology product sales.

In February 2014, we entered into an alliance with Servier for the development of UCART19 and other product candidates directed at four additional molecular targets. In November 2015, we entered into an amendment to our initial collaboration agreement with Servier, which allowed for an early exercise of Servier's option with respect to UCART19 and other product candidates. Pursuant to this amendment, Servier has exercised its option to acquire the exclusive worldwide rights to further develop and commercialize UCART19. In addition, Pfizer and Servier have announced that they have entered into an exclusive global license and collaboration agreement under which Pfizer has obtained from Servier exclusive rights to develop and commercialize UCART19 in the United States. In connection with the entry into the amendment to the collaboration agreement, Servier made an upfront payment of \$38.5 million, excluding taxes. As of December 31, 2016, Cellectis was eligible to receive up to \$935 million in potential option exercise fees, development, clinical and sales milestones, in addition to royalties on sales and research and development costs reimbursements.

Our alliance with Pfizer, which commenced in June 2014, addresses the development of other CAR T-cell immunotherapies in the field of oncology. This strategic alliance is potentially worth up to \$2.9 billion in payments by Pfizer to us, including an \$80 million upfront payment and \$2.8 billion in potential clinical and commercial milestone payments, in addition to royalties on sales and research and development costs reimbursements. Pfizer also purchased 10% of our then-outstanding equity in connection with this collaboration for €25.8 million. We believe that both of these strategic transactions position us to compete in the promising field of immuno-oncology and add additional clinical and financial resources to our programs.

We have also entered into research and development alliances with each of Cornell University and the MD Anderson Cancer Center. Pursuant to these strategic alliances, we collaborate or may collaborate in the future with these two centers to accelerate the development of our lead product candidates UCART123, UCARTCS1, UCART22 and UCART38 in acute myeloid leukemia (AML), blastic plasmacytoid dendritic cell neoplasm (BPDCN), multiple myeloma, B-cell and T-ALL. Under these agreements, we fund the research activities performed at Cornell University and the MD Anderson Cancer Center. In addition, we entered into a clinical trial

agreement with Weill Cornell Medical Center, pursuant to which Cornell University serves as the investigational site for the UCART123 Phase 1 clinical study in AML, and a clinical trial agreement with MD Anderson Cancer Center, pursuant to which MD Anderson Cancer Center serves as the investigational site for the UCART123 Phase 1 clinical study in BPDCN.

Our cash consumption is driven by our internal operational activities, as well as our outsourced activities, including the manufacturing activities of the requisite raw materials for the manufacturing of UCART123, UCARTCS1, and UCART22, the GMP manufacturing of UCART123, and UCARTCS1 at CELLforCURE and the technology transfer of UCARTCS1 and UCART22 processes to CELLforCURE. We also incur significant annual payment and royalty expenses related to our in-licensing agreements with different parties including Institut Pasteur and University of Minnesota. In addition, our cash consumption is driven by the UCART123 clinical studies that have been initiated at Weill Cornell Medical Center and at the MD Anderson Cancer Center and the associated outsourced activities, which include services outsourced to Contract Research Organization and Central Laboratory.

In addition to our cash generated by operations (including payments under our strategic alliances), we have funded our operations primarily through private and public offerings of our equity securities, grant revenues, payments received under intellectual property licenses, and reimbursements of research tax credits. Our ordinary shares have traded on the Euronext Growth market of Euronext (ex Alternext) in Paris since February 7, 2007. From January 1, 2013 through December 31, 2014, we received €61.0 million through sales of equity and €73.7 million in payments made to us under our collaboration agreements with Pfizer and Servier. In March 2015, we completed our U.S. initial public offering of 5,500,000 American Depositary Shares on the Nasdaq Global Market for gross proceeds of \$228.2 million. In 2015 and 2016, we received respectively €46.9 million and €24.7 million in payments pursuant to the Pfizer and Servier collaborations. During the nine-month period ended September 30, 2017, we received \$6.9 million in payments pursuant to the Pfizer and Servier collaborations agreements.

Calyxt IPO and Key Arrangements

On July 25, 2017, Calyxt completed an initial public offering on the Nasdaq Global Market, selling an aggregate of 8,050,000 shares of common stock at a price of \$8.00 per share (including the full exercise by the underwriters of their over-allotment option). The Company received net proceeds of approximately \$58.0 million, after deducting underwriting discounts and commissions and offering expenses. As part of the IPO, Collectis purchased 2,500,000 shares of common stock for a value of \$20.0 million, which is included in the net proceeds that Calyxt received. Calyxt used \$5.7 million of the proceeds from us to cover a portion of the outstanding obligations owed to Collectis. Following the initial public offering, Collectis owns approximately 79.8% of Calyxt's common stock.

In connection with Calyxt's IPO, we and Calyxt entered into certain agreements that relate to our relationship with Calyxt prior to the IPO or that provide a framework for our ongoing relationship with Calyxt. The summaries of the most significant provisions of these agreements. These summaries are qualified in their entirety by reference to the full text of such agreements.

Management Services Agreement

We are party to a management services agreement dated January 1, 2016 that we entered into with Calyxt and Collectis, Inc., a Delaware corporation and our wholly owned subsidiary ("Collectis, Inc."), pursuant to which we and Collectis, Inc. provide certain services to Calyxt, including certain general management, finance, investor relations, communication, legal, intellectual property, human resources and information technology services. In consideration for such services, Calyxt pays to us and Collectis, Inc. certain fees, consisting of reimbursement of all costs and expenses reasonably incurred by us in connection with the provision of such services, payment of a mark-up corresponding to a percentage of certain of the costs and expenses, which range from zero to 10%, and reimbursement of costs and expenses of services that are subcontracted by us on Calyxt's behalf.

The management services agreement is automatically renewed for one year periods starting on January 1st of each year. Either party has the right to terminate the agreement at the anniversary date of the agreement by giving three months prior notice. We also entered into an amendment to the agreement in connection with IPO to

provide that the agreement may otherwise be terminated by us or by Calyxt in connection with certain material breaches by the other party upon prior written notice subject to limited cure periods, the sale of all or substantially all of the assets of either party, certain bankruptcy events or certain judgments.

During fiscal year 2016, Calyxt made payments to us for services provided under the management services agreement of \$1.8 million, which excludes direct re-invoicing and royalties paid to us.

Stockholders Agreement

On July 25, 2017 we entered into a stockholders agreement with Calyxt, which we refer to as the stockholders agreement. Pursuant to our stockholders agreement with Calyxt, we have certain contractual rights for so long as we beneficially own at least 50% of the then outstanding shares of Calyxt's common stock, including:

- to approve any modification to Calyxt's or any future Calyxt subsidiary's share capital (e.g., share capital increase or decrease), the creation of any subsidiary by Calyxt, any grant of stock-based compensation, any distributions or initial public offering, merger, spin-off, liquidation, winding up or carve-out transactions;
- to approve Calyxt's annual business plan and annual budget and any modification thereto;
- to approve any external growth transactions of Calyxt exceeding \$500,000 and not included in the approved annual business plan and annual budget;
- to approve any investment and disposition decisions by Calyxt exceeding \$500,000 and not included in the approved annual business plan and annual budget (it being understood that this clause excludes the purchase and sale of inventory as a part of the normal course of business);
- to approve any related-party agreement and any agreement or transaction between the executives or shareholders of Calyxt, on the one hand, and Calyxt or any of its subsidiaries, on the other hand;
- to approve any decision by Calyxt pertaining to the recruitment, dismissal/removal, or increase of the compensation of executives and corporate officers;
- to approve any material decision by Calyxt relating to a material litigation;
- to approve any decision by Calyxt relating to the opening of a social or restructuring plan or pre-insolvency proceedings;
- to approve any buyback by Calyxt of its own shares;
- to approve any new borrowings or debts of Calyxt exceeding \$500,000 and early repayment of loans, if any (it being understood that we will approve the entering into of contracts for revolving loans and other short-term loans and the repayment of such for financing general operating activities, such as revolving loans for inventory or factoring of receivables);
- to approve grants by Calyxt of any pledges on securities;
- to develop new activities and businesses not described in the annual business plan and annual budget;
- to approve entry into any material agreement or partnership; and
- to approve any offshore and relocation activities of Calyxt.

In addition, we have the following rights for so long as we beneficially owns at least 15% of the then outstanding shares of Calyxt's common stock, including:

- to nominate the greater of three members of Calyxt's Board of Directors or a majority of the directors;
- to designate the Chairman of Calyxt's Board of Directors and one member to each of the audit committee of the Board of Directors, the compensation committee of the Board of Directors and the nominating and corporation governance committee of the Board of Directors;
- to approve any amendments to Calyxt's amended and restated certificate of incorporation or its amended and restated by-laws that would change the name of Calyxt, its jurisdiction of incorporation, the location of its principal executive offices, the purpose or purposes for which Calyxt is incorporated or the Collectis approval items set forth in the stockholders agreement;
- to approve the payment of any regular or special dividends;
- to approve the commencement of any proceeding for the voluntary dissolution, winding up or bankruptcy of Calyxt or a material subsidiary;

-
- to approve any public or private offering, merger, amalgamation or consolidation of Calyxt or the spinoff of a business of Calyxt or any sale, conveyance, transfer or other disposition of Calyxt's assets; and
 - to approve any appointment to Calyxt's Board of Directors contrary to the stockholders agreement or Calyxt's certificate of incorporation or Calyxt's by-laws.

In addition, for so long as we beneficially own at least 15% of the then outstanding shares of Calyxt's common stock, (i) we will be entitled to certain information rights, including the right to consult with and advise senior management, to receive quarterly and annual financial statements and to review Calyxt's books and records and (ii) Calyxt will also be required to cooperate with us in connection with certain sales and pledges of Calyxt's shares or grants of security interests in respect thereof, including in connection with margin loans.

The stockholders agreement will also provide us with certain registration rights, including certain demand and piggyback registration rights. The registration rights will remain in effect with respect to any shares covered by the Stockholders Agreement until (i) all of our Calyxt shares have been sold pursuant to an effective registration statement under the Securities Act; (ii) all of our Calyxt shares have been sold to the public pursuant to Rule 144 under the Securities Act; or (iii) we owns less than 10% of the then outstanding shares of Calyxt's common stock.

Separation Agreement

On July 25, 2017, we entered into a separation agreement with Calyxt, which sets forth certain agreements between us and Calyxt that will govern the relationship between us and Calyxt following this offering, including with respect to the following matters:

- guarantees;
- insurance policies;
- mutual releases and indemnification matters;
- accounting, financial reporting and internal control issues;
- confidentiality;
- ability of the parties to compete with each other; and
- settlement of intercompany accounts.

The separation agreement will terminate upon the earlier of (i) mutual written consent of us and Calyxt and (ii) the date on which we and our affiliates cease to hold at least 15% of the then outstanding shares of Calyxt's common stock.

License Agreement with Calyxt

We are party to a license agreement with Calyxt pursuant to which Calyxt has been granted an exclusive, worldwide license (subject to existing licenses granted by us to third parties) to use, commercialize and exploit certain intellectual property in the field of researching, developing and commercializing agricultural and food products, including traits, seeds, and feed and food ingredients (excluding any application in connection with animals and animal cells), except that such license will be non-exclusive in such field for any activities relating to researching, developing or commercializing certain modified or mutated I-CreI homing endonucleases. Calyxt has also been granted a non-exclusive license to use the TALEN trademark in connection with its exploitation of licensed products under the agreement. Any improvements Calyxt makes to the licensed intellectual property will be owned by Calyxt but licensed back to us on an exclusive basis for any use outside of Calyxt's exclusive agricultural field of use.

In consideration for the license from us, Calyxt is required to pay to us, on a product-by-product and country-by-country basis, a royalty of 3% of net sales of any products that are covered by the patents licensed from us. In addition, Calyxt will be required to pay us 30% of revenue Calyxt receives for sublicensing its rights under the agreement to third parties. Calyxt's payment obligations to us will expire upon the expiration of the last-to-expire valid claim of the patents licensed to Calyxt by us.

Under our license agreement with Calyxt, and as between the parties, we have the first right to control the prosecution, maintenance, defense and enforcement of the licensed intellectual property and Calyxt will have the right to step in and assume such control with respect to the patents owned by us and exclusively licensed to Calyxt under the agreement if we elect to not prosecute, maintain, defend or enforce such patents. In certain circumstances, if we elect to abandon any patents owned by us and exclusively licensed to Calyxt under the agreement, Calyxt will have the right to assume ownership of such patents. In addition, some of the intellectual property that will be licensed to Calyxt by us consists of an exclusive sublicense, subject to existing sublicenses granted by us to third parties, of intellectual property originally licensed to us by the University of Minnesota to exploit such intellectual property in Calyxt's exclusive agricultural field of use. Therefore, as to such sublicensed intellectual property, Calyxt's license from us will be subject to the terms and conditions of the license agreement between the University of Minnesota and us, and to the extent Calyxt's activities under such sublicense violate any terms and conditions of the license agreement between us and the University of Minnesota, Calyxt will be responsible for any damages that we may incur. In addition, Calyxt is required to reimburse us for any and all payments made by us to the University of Minnesota pursuant to the license agreement between the University of Minnesota and us to the extent that any such payments are required to be made as a result of Calyxt's applicable activities. Under the license agreement between us and the University of Minnesota, the University of Minnesota has the first right to control the prosecution and maintenance of the licensed intellectual property.

Calyxt's license agreement with us is perpetual. However it may be terminated upon the mutual written agreement of both parties, either party's uncured material breach of the agreement, or upon certain bankruptcy and insolvency related events.

Key events of the nine-month period ended September 30, 2017

Since the beginning of 2017, Collectis has made the following key achievements:

- On January 3, 2017, Collectis announced the submission of an Investigational New Drug (IND) application to the U.S. Food and Drug Administration (FDA) requesting approval to initiate Phase 1 clinical trials of UCART123 the Company's most advanced, wholly controlled TALEN® gene edited product candidate in patients with AML and BPDCN.
- André Choulika presented at the 35th Annual J.P. Morgan Healthcare Conference on Monday, January 9, 2017.
- In January, Collectis published a study in *Scientific Reports*, a Nature Publishing Group journal, describing a novel approach to a CAR design with an integrated environmental signal utilizing oxygen concentration to manipulate the CAR T-cell response.
- Collectis created a Clinical Advisory Board (CAB). The CAB serves as a strategic resource to Collectis as the Company enters the clinical development of allogeneic CAR T immunotherapies led by its wholly owned product candidate, UCART123. Experts from the fields of hematologic malignancies, immunotherapy, immunology, stem cell transplantation joined the CAB: Professors John Gribben, Koen van Besien, Kanti Rai and Catherine Thieblemont joined in January, and Catherine Bollard, Hervé Dombret, Ola Landgren, Marcela Maus and Dietger Niederweiser joined in March.
- On February 6, 2017, Collectis received an Investigational New Drug (IND) approval from the U.S. Food and Drug Administration (FDA) to conduct Phase 1 clinical trials with UCART123, in patients with AML and BPDCN.
- André Choulika presented at the LEERINK Partners 6th Annual Global Healthcare Conference on February 16, 2017.
- On March 9, 2017, Servier, together with Pfizer Inc. and Collectis announced that the U.S. Food and Drug Administration (FDA) granted to Servier an Investigational New Drug (IND) clearance to proceed in the U.S. with the clinical development of UCART19 to treat relapsed/refractory acute lymphoblastic leukemia.

- On April 27, 2017, André Choulika, was selected as a speaker for the 2017 Milken Institute Global Conference. Dr. Choulika participated as a panelist for a session titled, “Humankind vs. Cancer: The Scorecard” on Wednesday, May 3, 2017.
- On May 10, 2017, U.S. patent 8,921,332, which claims the use of chimeric restriction endonucleases for directing chromosomal gene editing in cells by homologous recombination (HR), initially issued on Dec. 30, 2014, was upheld by the United States Patent and Trademark Office (USPTO) after a reexamination initiated in October 2015.
- Between May 10th to 13th, 2017, Collectis presented data on its gene-edited allogeneic off-the-shelf CAR T-cell immunotherapies (UCART) at the ASGCT 20th Annual Meeting in Washington, D.C., USA.
- Collectis’ Annual General Meeting was held at the Company’s head office in Paris on June 26, 2017. At the meeting, more than 73% of voting rights were exercised and all the resolutions recommended by the board of directors, were adopted including the appointment of two new directors to the board of directors, Mr. Rainer Boehm and Mr. Hervé Hoppenot; and the renewal of the term of office of director of Mr. Laurent Arthaud, Mr. Pierre Bastid and Mrs. Annick Schwebig.
- On June 27, 2017, Collectis announced the first patient administration in the Phase I clinical study in Acute Myeloid Leukemia (AML) for its investigational product UCART123.
- On July 24, 2017, the European Patent Office granted patent No. EP3004337, covering a method of using RNA-guided endonucleases, such as Cas9 or Cpf1 for the genetic engineering of T-cells.
- On July 27, 2017, Collectis and Molmed S.p.A. signed a Development and Manufacturing Agreement for the development and manufacturing of Collectis’ UCAR T-cell product candidates.
- On August 17, 2017, Collectis announced that the first patient with Blastic Plasmacytoid Dendritic Cell Neoplasm (BPDCN) was dosed in Collectis’ Phase 1 clinical study using UCART123 at the MD Anderson Cancer Center.
- On September 4, 2017, Collectis reported a clinical hold from the U.S. Food and Drug Administration (FDA) on both UCART123 ongoing Phase 1 studies in acute myeloid leukemia (AML) and blastic plasmacytoid dendritic cell neoplasm (BPDCN). The clinical hold was initiated after Collectis reported one fatality in the BPDCN clinical trial.
- During September, Collectis participated in several conferences, including Wells Fargo Conference in Boston, Morgan Stanley Global Healthcare Conference in New York, Ladenburg Thalmann 2017 Conference in New York and Leerink Rare Disease & Immuno-Oncology Conference in New York.

Since the beginning of 2017, Calyxt Inc., Collectis’ majority-owned plant science subsidiary, has made the following achievements:

- On March 9, 2017, Calyxt, Inc announced that the Company signed a technology framework agreement with Plant Bioscience Limited (PBL), pursuant to which Calyxt received an option to obtain exclusive licenses to new crops traits.
- On March 21, 2017, former Cargill executive Manoj Sahoo joined Calyxt as the Calyxt’s Chief Commercial Officer.

- On May 16, 2017, Calyxt launched, under a services agreement with University of Minnesota, a field trial in United States of America for its gene edited powdery mildew-resistant spring wheat variety, representing its fourth gene-edited crop to undergo trials.
- On June 7, 2017, Joseph B. Saluri was named as Calyxt's General Counsel and Executive Vice President, Corporate Development.
- On July 25, 2017, Calyxt completed an initial public offering on the Nasdaq Global Market, selling an aggregate of 8,050,000 shares of common stock at a price of \$8.00 per share (including the full exercise by the underwriters of their over-allotment option). The Company received net proceeds of approximately \$58.0 million, after deducting underwriting discounts and commissions and offering expenses. As part of the IPO, Collectis purchased 2,500,000 shares of common stock for a value of \$20.0 million, which is included in the net proceeds that Calyxt received. Calyxt used \$5.7 million of the proceeds from us to cover a portion of the outstanding obligations owed to Collectis. Following the initial public offering, Collectis owns approximately 80% of Calyxt's common stock.
- On September 6, 2017, Calyxt consummated a sale-leaseback transaction, including a lease agreement with a third-party with respect to Calyxt's lease of certain real property and improvements located at Roseville, Minnesota, for a term of twenty years with an options to extend the term for up to an additional twenty years. Under the lease agreement, Calyxt will initially pay annual base rent of \$490,000 until the earlier of (i) the next day after issuance of a temporary certificate of occupancy or other permit to occupy the property by the City of Roseville and (ii) the next day after the certification of substantial completion executed by landlord's architect or contractor confirming that the work to be done on the property has been substantially completed (such date, the "Initial Term Commencement Date"). On the Initial Term Commencement Date, Calyxt will pay an estimated annual base rent of 8% of the total project cost ("Annual Base Rent") with scheduled increases in rent of 7.5% on the sixth, eleventh and sixteenth anniversary of the Initial Term Commencement Date as well as on the first day of each renewal term. In connection with the lease agreement, on September 6, 2017, Collectis entered into a lease guaranty with landlord, whereby Collectis guaranteed all Calyxt's liabilities, obligations and duties under the lease agreement. The lease guaranty terminates at the end of the second consecutive calendar year in which Calyxt's tangible net worth exceeds \$300 million. On November 10, 2017, Calyxt and Collectis entered into an indemnification agreement pursuant to which Calyxt agreed to indemnify Collectis for any obligations under Collectis' lease guaranty, effective at such time as Collectis owns 50% or less of Calyxt's outstanding common stock.
- On September 7, 2017, Calyxt broke ground on its new 40,000-square-foot headquarters, which will be housed on the 11-acre site in Roseville, together with state-of-the-art research labs and a test kitchen. The headquarters will be adjacent to the recently completed approximately 11,000-square-foot greenhouses.
- On September 25, 2017, Calyxt's herbicide-tolerant wheat, its third wheat product candidate, and improved oil composition canola, its first canola product candidate, advanced to Phase 1 of development. With these phase advancements, Calyxt now has a total of nine product candidates in Phase 1 development or later across its five crops: soybeans, wheat, canola, potatoes and alfalfa.
- On September 26, 2017, Calyxt presented at Ladenburg Thalmann 2017 Healthcare Conference in New York, NY.

Key events post September 30, 2017

For Collectis:

- On October 4, 2017, Mathieu Simon, M.D., Executive Vice President and Chief Operating Officer, has been appointed to also serve as Interim Chief Medical Officer. In accepting this position, Dr. Simon assumes the responsibilities of Dr. Loan Hoang-Sayag, who resigned from Collectis to pursue other professional opportunities.

- Effective October 11, 2017, Dr. Simon also resigned from his position as a member of Collectis' Board of Directors in order to focus on his additional responsibilities as Interim Chief Medical Officer.
- On October 11, 2017, the board of directors granted 1,220,000 Collectis stock options under a new 2017 Stock Option Plan with an exercise price of €22.57 per ordinary share to certain of our employees, executive officers, members of the Chief Operating Decision Maker and directors of Collectis S.A. and certain employees of Collectis, Inc. In addition, on October 11, 2017, 240,000 non-employee warrants exercisable for an aggregate of 240,000 ordinary shares at an exercise price of €24.34 per share, were issued by our board of directors to certain of our independent directors.
- As of November 6, the FDA has lifted the clinical hold from both Phase 1 trials of UCART123 in AML and in BPDCN. Collectis is currently working closely with the Phase 1 investigators from Weill Cornell Medicine New York—Presbyterian Hospital and MD Anderson Cancer Center to obtain approval of the revised protocol from their respective institutional review boards in order to resume patient enrollment.
- On November 10, 2017, Calyxt and Collectis entered into an indemnification agreement pursuant to which Calyxt agreed to indemnify Collectis for any obligations incurred by Collectis under the lease guaranty that Collectis entered into with Calyxt's landlord in connection with Calyxt's Roseville, Minnesota sale-leaseback transaction. The indemnification agreement becomes effective at such time as Collectis owns 50% or less of Calyxt's outstanding common stock.

For Calyxt:

- On October 2, 2017, the first of its two alfalfa product candidates has been designated as a non-regulated article under "Am I Regulated?" Process by Biotechnology Regulatory Services of the Animal and Plant Health Inspection Service (APHIS), an agency of the USDA. The improved quality alfalfa is the sixth Calyxt product candidate to be confirmed as a non-regulated article by the USDA including its high oleic soybean, high oleic / low linolenic soybean, powdery mildew resistant wheat, cold storable potato and reduced browning potato.

Financial Operations Overview

We have incurred net losses in nearly each year since our inception. Substantially all of our net losses resulted from costs incurred in connection with our development programs and from selling, general and administrative expenses associated with our operations. As we continue our intensive research and development programs, we expect to continue to incur significant expenses and may again incur operating losses in future periods. We anticipate that such expenses will increase substantially if and as we:

- progress the clinical trial of our wholly-controlled UCART123 product candidate and initiate additional clinical trials for other wholly-controlled product candidates;
- continue to advance the research and development of our current and future immuno-oncology product candidates;
- continue, through Calyxt, to advance the research and development of our current and future agricultural product candidates;
- initiate additional clinical studies for, or additional pre-clinical development of, our immuno-oncology product candidates;
- conduct and multiply, through Calyxt, additional field trials of our agricultural product candidates;
- further develop and refine the manufacturing process for our immuno-oncology product candidates;
- change or add additional manufacturers or suppliers of biological materials;
- seek regulatory and marketing approvals for our product candidates, if any, that successfully complete development;
- establish a sales, marketing and distribution infrastructure to commercialize any products for which we may obtain marketing approval;
- seek to identify and validate additional product candidates;
- acquire or in-license other product candidates, technologies, germplasm or other biological material;

- make milestone or other payments under any in-license agreements;
- maintain, protect and expand our intellectual property portfolio;
- secure manufacturing arrangements for commercial production;
- seek to attract and retain new and existing skilled personnel;
- create additional infrastructure to support our operations as a public company; and
- experience any delays or encounter issues with any of the above.

We do not expect to generate material revenues from sales of our product candidates unless and until we successfully complete development of, and obtain marketing approval for, one or more of our product candidates, which we expect will take a number of years and is subject to significant uncertainty. Accordingly, we anticipate that we will need to raise additional capital prior to completing clinical development of any of our candidate product. Until such time that we can generate substantial revenues from sales of our product candidates, if ever, we expect to finance our operating activities through a combination of milestone payments received pursuant to our strategic alliances, equity offerings, debt financings, government or other third-party funding and collaborations, and licensing arrangements. However, we may be unable to raise additional funds or enter into such 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 development programs or commercialization efforts or grant to others rights to develop or market product candidates that we would otherwise prefer to develop and market ourselves. Failure to receive additional funding could cause us to cease operations, in part or in full.

Results of Operations

Comparison for the nine-month periods ended September 30, 2016 and 2017

Revenues.

	For the nine-month period ended September 30,		% change 2017 vs 2016	% change at U.S. dollar-euro constant rate 2017 vs 2016
	2016	2017		
Collaboration agreements	34,594	17,732	-48.7%	-48.6%
Other revenues	2,108	1,684	-20.1%	-19.9%
Revenues	36,702	19,416	-47.1%	-47.0%

The decrease in revenues of \$17.3 million, or 47.1 %, between the nine-month periods ended September 30, 2016 and 2017 primarily reflects (i) a decrease of \$16.9 million in revenues under our collaboration agreements, of which \$8.5 million represents one-time milestone revenue received during the second quarter of 2016 with the first patient dosed in the Phase 1 clinical trial for UCART 19, \$4.8 million represents decreased recognition of upfront fees already paid to Collectis, \$1.5 million represents decreased research and development cost reimbursements and \$2.2 million represents decreased revenue from payments by Servier for the supply of raw materials and batches of UCART 19 products, and (ii) a \$0.4 million decrease in other licenses revenue.

	For the nine-month period ended		% change	% change at U.S. dollar-euro constant rate
	September 30,			
	2016	2017		
Research tax credit	6,609	7,111	7.6%	7.8%
Other income	145	175	20.9%	21.4%
Other income	6,754	7,286	7.9%	8.1%

The increase in other income of \$0.5 million, or 7.9%, between the nine-month periods ended September 30, 2016 and 2017 reflects an increase of \$0.5 million in research tax credits, due to higher research and development purchases and external expenses during the nine-month period ended September 30, 2017 that are eligible for the tax credit.

Royalty expenses.

	For the nine-month period ended		% change	% change at U.S. dollar-euro constant rate
	September 30,			
	2016	2017		
Royalty expenses	(1,155)	(1,748)	51.4%	51.8%

The increase in royalty expenses of \$0.6 million, or 51.4 %, between the nine-month periods ended September 30, 2016 and 2017 primarily reflects higher expenses to existing partners.

Research and development expenses.

	For the nine-month period ended		% change	% change at U.S. dollar-euro constant rate
	September 30,			
	2016	2017		
Personnel expenses	(36,445)	(27,927)	-23.4%	-23.2%
Purchases, external expenses and other	(21,824)	(30,599)	40.2%	40.5%
Research and development expenses	(58,269)	(58,525)	0.4%	0.7%

During the nine-month periods ended September 30, 2016 and 2017, research and development expenses increased by \$0.3 million or 0.4 %. Personnel expenses decreased by \$8.5 million from \$36.4 million in 2016 to \$27.9 million in 2017, primarily due to a \$1.9 million decrease in social charges on stock option grants and a \$6.7 million decrease in non-cash stock based compensation expense partly offset by a \$0.1 million increase in wages and salaries. Purchases and external expenses increased by \$8.4 million from \$20.7 million in 2016 to \$29.1 million in 2017, mainly due to increased expenses related to payments to third parties participating in product development, purchases of biological raw materials, expenses related to process development and expenses associated with the use of laboratories and other facilities. Other expenses relate to continuing leasing and other commitments and increased by \$0.4 million.

Selling, general and administrative expenses.

	For the nine-month period ended		% change	% change at
	September 30,			U.S. dollar-euro
	2016	2017		constant rate
				2017 vs 2016
Personnel expenses	(23,917)	(25,040)	4.7%	4.9%
Purchases, external expenses and other	(7,146)	(6,790)	-5.0%	-4.7%
Selling, general and administrative expenses	(31,063)	(31,830)	2.5%	2.7%

During the nine-month periods ended September 30, 2016 and 2017, the increase in selling, general and administrative expenses of \$0.8 million, or 2.5%, primarily reflects (i) an increase of \$1.1 million in personnel expenses from \$23.9 million to \$25.0 million, attributable, to a \$ 1.6 million increase in wages and salaries, a \$1.1 million increase in non-cash stock based compensation expense partly offset by a decrease of \$1.6 million in social charges on stock options grants, partially offset by (ii) \$0.5 million decrease in purchases and external expenses. Other expenses relate to taxes, various depreciation and amortization and other commitments and increased by \$0.2 million.

Other operating income and expenses.

	For the nine-month period ended		% change	% change at
	September 30,			U.S. dollar-euro
	2016	2017		constant rate
				2017 vs 2016
Other operating income and expenses	186	317	70.1%	70.4%

During the nine-month periods ended September 30, 2016 and 2017, the change in other operating income and expenses primarily reflects (i) a receivable related to the refund of social charges paid on some previous Collectis free share grants that expired without being vested for \$0.2 million in 2017, (ii) a one-off tax reimbursement and reversals of personnel litigation for a total amount of \$0.4 million which were partially offset by other operating expenses of \$0.2 million relating to provisions for commercial litigations in 2016.

Financial gain (loss).

	For the nine-month period ended		% change	% change at
	September 30,			U.S. dollar-euro
	2016	2017		constant rate
				2017 vs 2016
Financial revenues	2,599	6,202	138.6%	139.2%
Financial expenses	(9,660)	(16,171)	67.4%	67.8%
Financial gain (loss)	(7,061)	(9,969)	41.2%	41.5%

The increase in financial revenues of \$3.6 million, or 138.6%, between the nine-month periods ended September 30, 2016 and 2017, was mainly attributable to the increase of foreign exchange derivatives fair value adjustment for \$2.5 million. The change in financial expenses of \$6.5 million, or 67.4%, between the nine-month periods ended September 30, 2016 and 2017, was mainly attributable to \$7.7 million increase in foreign exchange loss (from \$8.0 million loss in 2016 to a \$15.6 million loss in 2017).

Net income (loss)

	For the nine-month period ended September 30,		% change 2017 vs 2016	% change at U.S. dollar-euro constant rate
	2016	2017		
Net income (loss)	(53,905)	(75,054)	39.2%	39.6%

The change in net loss of \$21.1 million between the nine-month period ended September 30, 2016 and 2017 was mainly due to (i) a \$16.8 million decrease in revenues and other income, (ii) a \$7.4 million increase in purchases and external expenses, (iii) a \$1.7 million increase in wages, (iv) a \$1.0 million increase in other expenses, (v) a \$0.6 million increase in royalty expenses, and (vi) the \$2.9 million increase in financial loss, partially offset by (i) a \$5.6 million decrease in non-cash stock-based compensation expense and (ii) a \$3.5 million decrease in social charges on stock options and free share grants (iii) a \$0.1 million increase in other operating income and expenses.

Non-controlling interests

	For the nine-month period ended September 30,		% change 2017 vs 2016	% change at U.S. dollar-euro constant rate
	2016	2017		
Attributable to non-controlling interests	—	(2,788)	n.a.	n.a.

The change in net loss attributable to non-controlling interests is attributable to 20.2% of Calyxt common shares traded on NASDAQ since its IPO, on July 25, 2017.

Segment Results

Information related to each of our reportable segments is set out below. Segment revenues and other income, Research and development expenses, Selling, general and administrative expenses, and Royalties and other operating income and expenses, and Adjusted net income (loss) attributable to shareholders of Collectis (which does not include non-cash stock-based expense) are used by the CODM for purposes of making decisions about allocating resources to the segments and assessing their performance. The CODM does not review any asset or liability information by segment or by region.

Adjusted Net Income (Loss) attributable to shareholders of Collectis is not a measure calculated in accordance with IFRS. Because Adjusted Net Income (Loss) attributable to shareholders of Collectis excludes Non-cash stock based compensation expense—a non-cash expense, we believe that this financial measure, when considered together with our IFRS financial statements, can enhance an overall understanding of Collectis' financial performance. Moreover, our management views the Company's operations, and manages its business, based, in part, on this financial measure.

There are inter-segment transactions between the two reportable segments, including the allocation of corporate general and administrative expenses by Collectis S.A. and the allocation of research and development expenses among the reportable segments. With respect to corporate general and administrative expenses, Collectis S.A. provides Calyxt, Inc. with general sales and administrative functions, accounting and finance functions, investor relations, intellectual property, legal advice, human resources, communication and information technology pursuant to a management agreement. Under the management agreement, Collectis S.A. charges Calyxt, Inc. in euros at cost plus a mark-up ranging between zero to 10%, depending on the nature of the service. Amounts due to Collectis S.A. pursuant to inter-segment transactions bear interest at a rate of 12-month Euribor plus 5% per annum.

The intersegment revenues represent the transactions between segments. Intra-segment transactions are eliminated within a segment's results and intersegment transactions are eliminated in consolidation as well as in key performance indicators by reportable segment.

The following table summarizes segment revenues and segment operating profit (loss) for the nine-month periods ended September 30, 2016 and 2017:

	For the nine-month period ended September 30, 2016			For the nine-month period ended September 30, 2017		
	Plants	Therapeutics	Total reportable segments	Plants	Therapeutics	Total reportable segments
\$ in thousands						
Segment revenues and other income	410	44,550	44,960	637	27,900	28,537
Inter-segment revenues	(83)	(1,421)	(1,504)	(128)	(1,707)	(1,835)
External revenues and other income	327	43,129	43,456	509	26,193	26,702
Research and development expenses	(2,837)	(55,432)	(58,269)	(4,216)	(54,309)	(58,525)
Selling, general and administrative expenses	(3,372)	(27,692)	(31,063)	(8,258)	(23,572)	(31,830)
Royalties and other operating income and expenses	(380)	(588)	(968)	(83)	(1,348)	(1,431)
Total operating expenses	(6,588)	(83,712)	(90,300)	(12,557)	(79,229)	(91,787)
Operating income (loss) before tax	(6,261)	(40,583)	(46,844)	(12,048)	(53,037)	(65,085)
Financial gain (loss)	(4)	(7,056)	(7,061)	(131)	(9,837)	(9,969)
Net income (loss)	(6,266)	(47,639)	(53,905)	(12,179)	(62,874)	(75,054)
Non-controlling interests	—	—	—	(2,788)	—	(2,788)
Net income (loss) attributable to shareholders of Collectis	(6,266)	(47,639)	(53,905)	(9,392)	(62,874)	(72,266)
Adjustment of share-based compensation	853	43,682	44,534	4,615	34,325	38,940
Adjusted net income (loss) attributable to shareholders of Collectis	(5,413)	(3,958)	(9,371)	(4,776)	(28,549)	(33,326)
Depreciation and amortization	(150)	(1,476)	(1,626)	(417)	(1,555)	(1,972)
Additions to tangible and intangible assets	10,290	2,944	13,234	680	1,463	2,143

Since 2016, we have allocated the share-based compensation to the share-related entity, (rather than the entity related to the employee that benefited from such compensation), considering that the share-based compensation is linked to entity's performance. Consequently, all share-based compensation based on Collectis shares is charged in the Therapeutics segment, even if some Calyxt employees are included in a Collectis stock-option plan.

Therapeutics segment

External revenues in our Therapeutics segment decreased by \$16.9 million, from \$43.1 million for the nine-month period ended September 30, 2016 to \$26.2 million for the nine-month period ended September 30, 2017. The decrease was primarily due to a decrease of \$16.9 million in collaboration agreement revenues and a \$0.4 million decrease in license revenues, partially offset by an increase of \$0.5 million in research tax credits, as described in sections “Revenues” and “Other income” of the Group’s operating result analysis.

The decrease in total operating expenses of \$4.5 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017 resulted primarily from lower personnel expenses, attributable to a decrease of \$3.5 million in social charges on stock options grants and a decrease of \$9.4 million in non-cash stock-based compensation expenses, partly offset by an increase of \$0.7 million in personnel wages and salaries, an increase of \$7.0 million in purchases, external and other expenses and an increase of \$0.8 million in royalties and other expenses.

Operating loss before tax for our Therapeutics segment decreased by \$12.5 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017.

Adjusted net loss attributable to shareholders of Collectis for our Therapeutics segment increased by \$24.6 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017.

Plants segment

External revenues in our Plants segment increased by \$0.2 million from \$0.3 million for the nine-month period ended September 30, 2016 to \$0.5 million for the nine-month period ended September 30, 2017, mainly due to the record of a \$0.1 million income tax credits.

The increase in total operating expenses of \$6.0 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017 resulted primarily from a significant increase in Calyxt, Inc. activities, driven by an increase of \$3.8 million in non-cash stock-based compensation expenses, an increase of \$1.1 million in personnel wages and salaries, as well as, an increase of \$1.4 million in purchases, external and other expenses, partially offset by a decrease of \$0.3 million in royalties expenses.

Operating loss before tax for our Plants segment decreased by \$5.8 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017.

Adjusted net loss attributable to shareholders of Collectis for our Plants segment decreased by \$0.6 million from the nine-month period ended September 30, 2016 to the nine-month period ended September 30, 2017.

Liquidity and Capital Resources

Introduction

We have incurred losses and cumulative negative cash flows from operations since our inception in 2000, and we anticipate that we will continue to incur losses for at least the next several years. We expect that our research and development and selling, general and administrative expenses will continue to increase and, as a result, we will need additional capital to fund our operations, which we may raise through a combination of equity offerings, debt financings, other third-party funding, marketing and distribution arrangements and other collaborations, strategic alliances and licensing arrangements.

We have funded our operations since inception primarily through private and public offerings of our equity securities, grant revenues, payments received under patent licenses, reimbursements of research tax credit claims and payments under our strategic alliances with Pfizer and Servier.

Liquidity management

As of September 30, 2017, we had cash and cash equivalents of \$263.9 million and current financial assets of \$40.2 million.

Cash in excess of immediate requirements is invested in accordance with our investment policy, primarily with a view to liquidity and capital preservation. Currently, our cash and cash equivalents are held in bank accounts, money market funds, fixed bank deposits primarily in France and are primarily denominated in U.S. Dollars (\$203.6 million as of September 30, 2017). Current financial assets denominated in U.S. Dollars amounted to \$39.6 million as of September 30, 2017.

Historical Changes in Cash Flows

The table below summarizes our sources and uses of cash for the nine-month periods ended September 30, 2016 and 2017:

	For the nine-month period ended	
	September 30,	
	2016	2017
Net cash flows provided by (used in) operating activities	(34,374)	(42,814)
Net cash flows provided by (used in) investing activities	(100,599)	2,297
Net cash flows provided by (used in) financing activities	430	40,313
Total	(134,543)	(204)
Effect of exchange rate changes on cash	366	9,498

For the nine-month periods ended September 30, 2016 and 2017, our net cash flows used in operating activities decreased due to the change in our net loss, described above, and timing in payments made for manufacturing activities.

For the nine-month periods ended September 30, 2017, our net cash used in investing activities primarily reflects, the proceeds from disposal of \$7.0 million related to Calyxt land and building sale and leaseback agreement, partially offset by our acquisition of \$2.4 million of financial current assets at Collectis S.A. and our investments in R&D equipment in both the United States and France of \$2.3 million. In 2016, our net cash flows in investing activities mainly reflected the acquisition of \$98.0 million of current financial assets.

For the nine-month periods ended September 30, 2017, our net cash flows provided by financing activities mainly reflects the subscription to Calyxt IPO for \$38.1 million and the subscription of non-employee warrants in January 2017 for \$0.1 million and the exercise of 121,492 employee warrants during the period for \$2.0 millions.

Operating capital requirements

To date, we have not generated any revenues from therapeutic or agricultural product sales. We do not know when, or if, we will generate any revenues from product sales. We do not expect to generate significant revenues from product sales unless and until we obtain regulatory approval of and commercialize one of our current or future product candidates. We anticipate that we will continue to generate losses for the foreseeable future, and we expect the losses to increase as we continue the development of, and seek regulatory approvals for, our product candidates, and begin to commercialize any approved products. We are subject to all risks incident in the development of new gene therapy products, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. We are also subject to all risks incident in the development of new agricultural products, and we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. We also anticipate substantial expenses related to audit, legal, regulatory and tax-related services associated with our public company obligations in the United States and our continued compliance with applicable U.S. exchange listing and SEC requirements. We anticipate that we will need additional funding in connection with our continuing operations, including for the further development of our existing product candidates and to pursue other development activities related to additional product candidates.

Until we can generate a sufficient amount of revenues from our products, if ever, we expect to finance a portion of future cash needs through public or private equity or debt financings. Additional capital may not be available on reasonable terms, if at all. If we are unable to raise additional capital in sufficient amounts or on terms acceptable to us, we may have to significantly delay, scale back or discontinue the development or commercialization of one or more of our product candidates. If we raise additional funds through the issuance of additional debt or equity securities, it could result in dilution to our existing shareholders, and increased fixed payment obligations and these securities may have rights senior to those of our ordinary shares. If we incur indebtedness, we could become subject to covenants that would restrict our operations and potentially impair our competitiveness, such as limitations on our ability to incur additional debt, limitations on our ability to acquire, sell or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. Any of these events could significantly harm our business, financial condition and prospects.

Our assessment of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties, and actual results could vary as a result of a number of factors. We have based this estimate on assumptions that may prove to be wrong, and we could use our available capital resources sooner than we currently expect. Our future funding requirements, both near and long-term, will depend on many factors, including, but not limited to:

- the initiation, progress, timing, costs and results of pre-clinical and clinical studies for our product candidates;
- the initiation, progress, timing, costs and results of field trials for our agricultural product candidates;
- the outcome, timing and cost of regulatory approvals by U.S. and non-U.S. regulatory authorities, including the possibility that regulatory authorities will require that we perform more studies than those that we currently expect;
- the ability of our product candidates to progress through clinical development successfully;
- the ability of our agricultural product candidates to progress through late stage development successfully, including through field trials;
- the cost of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights;
- our need to expand our research and development activities;
- our need and ability to hire additional personnel;
- our need to implement additional infrastructure and internal systems, including manufacturing processes for our product candidates;
- the effect of competing technological and market developments; and
- the cost of establishing sales, marketing and distribution capabilities for any products for which we may receive regulatory approval.

If we cannot expand our operations or otherwise capitalize on our business opportunities because we lack sufficient capital, our business, financial condition and results of operations could be materially adversely affected.

Off-Balance Sheet Arrangements.

We entered into (i) financial derivative instruments agreements to minimize impacts from exchange rate fluctuations and (ii) seed and grain production agreements with settlement value based on commodity market future pricing. Otherwise, we do not have any off-balance sheet arrangements as defined under SEC rules.

Item 3. Quantitative and Qualitative Disclosures About Market Risks*Foreign Currency Exchange Risk*

We derive a significant portion of our revenues, including payments under our collaboration agreement with Pfizer in U.S. dollars. Since the beginning of fiscal year 2015, we have been significantly expanding our activities in the United States, but there continues to be a currency mismatch in our cash flows since most of our expenses remain denominated primarily in Euros.

Our financial condition and results of operations are measured and recorded in the relevant local base currency and then translated each closing period into dollars for inclusion in our Consolidated Financial Statements. We translate balance sheet amounts at the exchange rates in effect on the date of the balance sheet, while income and cash flow items are translated at the average rate of exchange in effect for the relevant period.

While we are engaged in hedging transactions to minimize the impact of uncertainty in future exchange rates on cash flows, we may not hedge all of our foreign currency exchange rate risk. In addition, hedging transactions carry their own risks and costs, including the possibility of a default by the counterpart to the hedge transaction. We cannot predict the impact of foreign currency fluctuations, and foreign currency fluctuations in the future may adversely affect our financial condition, results of operations and cash flows

Financial loss was \$7.1 million for the nine-month period ended September 30, 2016 compared with a financial loss of \$10.0 million for the nine-month period ended September 30, 2017. The change in financial result was primarily attributable to the effect of exchange rate fluctuations on our U.S. dollars cash and cash equivalent accounts and its impact on the fair value of our derivative instrument.

Interest Rate Risk

We seek to engage in prudent management of our cash and cash equivalents, mainly cash on hand and common financial instruments (typically short- and mid-term deposits). Furthermore, the interest rate risk related to cash, cash equivalents and common financial instruments is not significant based on the quality of the financial institutions with which we work.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition or results of operations. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition and results of operations.

Item 4. Controls and Procedures

We must maintain effective internal control over financial reporting in order to accurately and timely report our results of operations and financial condition. In addition, as a public company, the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act, requires, among other things, that we assess the effectiveness of our disclosure controls and procedures and the effectiveness of our internal control over financial reporting at the end of each fiscal year. We issued management's annual report on internal control over financial reporting, pursuant to Section 404 of the Sarbanes-Oxley Act, as of December 31, 2016. There have been no changes in the Company's internal control over financial reporting during the quarter ended September 30, 2017, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION**Item 1. Legal Proceedings**

From time to time, we may be involved in various claims and legal proceedings relating to claims arising out of our operations. We are not currently a party to any legal proceedings that, in the opinion of our management, are likely to have a material adverse effect on our business. Regardless of outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in the Annual Report.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit	Title
10.1	Management Services Agreement dated January 1, 2016 between Collectis S.A., Collectis, Inc. and Calyxt, Inc.
10.2	Management Services Agreement Amendment dated July 25, 2017 between Collectis S.A., Collectis, Inc. and Calyxt, Inc.
10.3	Separation Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.
10.4	Stockholders Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.
10.5	License Agreement dated July 25, 2017 between Collectis S.A. and Calyxt, Inc.