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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of report (Date of earliest event reported): March 30, 2018

STRATA
SKIN SCIENCES

STRATA SKIN SCIENCES, INC.
(Exact Name of Registrant Specified in Charter)

Delaware	**000-51481**	**13-3986004**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

100 Lakeside Drive, Suite 100, Horsham, Pennsylvania	**19044**
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code: **215-619-3200**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

Equity Financing Agreements

On March 30, 2018, STRATA Skin Sciences, Inc. (the "Company") entered into securities purchase agreements and subscription agreements pursuant to which the Company will issue 15,740,740 shares of the Company's common stock to a group of investors led by Accelmed Growth Partners L.P. ("Accelmed") for gross proceeds of $17.0 million at a per share price of $1.08. The following is a description of the securities purchase agreements.

Accelmed Stock Purchase Agreement

On March 30, 2018, the Company entered into a stock purchase agreement (the "Accelmed SPA") with Accelmed, pursuant to which Accelmed has agreed to invest $13.0 million to purchase upon closing 12,037,037 shares of the Company's common stock at a price per share of $1.08. The Company may incur additional expenses, or Acclemed may receive additional shares in the event of certain contingencies. The Company is required to reimburse Accelmed for its legal, consulting, due diligence and certain costs related to the proposed transaction, including the reasonable legal fees, disbursements and related charges of Accelmed's counsel in an aggregate amount not to exceed $400 thousand (or up to $500 thousand in the event of certain contingencies, and subject to no cap in the event the Company's stockholders do not approve the transaction) at the earliest of (i) the closing, or (ii) the termination of Accelmed SPA for any reason other than by reason of a breach of the Accelmed SPA by Accelmed. The Company may also be obligated to pay a breakup fee of $600 thousand in the event the Company's board of directors makes a recommendation against the approval of the transaction. The Accelmed SPA also requires that the Company indemnify Accelmed for certain items as defined in Accelmed SPA.

Upon closing under the Accelmed SPA, Accelmed will control a majority of the outstanding shares of the Company's common stock. Accelmed will hold (a) approximately 58% of the issued and outstanding voting stock of the Company, assuming each of Broadfin Capital ("Broadfin") and Sabby Management ("Sabby") owns up to 9.99% of the Company's common stock consistent with their "blockers," and (b) approximately 36% of the Company's issued and outstanding capital stock, assuming the conversion of all outstanding shares of Series C Preferred Stock regardless, but not including outstanding stock options and warrants.

Broadfin and Sabby Stock Purchase Agreements

In connection with the proposed Accelmed investment, the Company entered into two separate stock purchase agreements on March 30, 2018, each for $1.0 million with two current stockholders, Broadfin Healthcare Master Fund ("Broadfin") and Sabby Healthcare Master Fund and Sabby Volatility Warrant Master Fund ("Sabby"). Upon closing of these transactions with the closing under the Accelmed SPA, each of Sabby and Broadfin will receive 925,926 shares of the Company's common stock at a price per share of $1.08.

In further consideration of entering into their respective stock purchase agreements, Sabby and Broadfin have each entered into separate agreements restricting their abilities to sell their

holdings (the "Leak-Out Agreements"). Under the terms of each of the respective Leak-Out Agreements, the stockholder has agreed that for a period of three years from the later of (a) the date that the approval by the shareholders of the transactions are deemed effective and (b) the closing of the transactions contemplated pursuant to the SPA, the stockholder shall not sell dispose or otherwise transfer, directly or indirectly, (including, without limitation, any sales, short sales, swaps or any derivative transactions that would be equivalent to any sales or short positions) any shares of Common Stock of the Company held by the Stockholder on the date hereof or issuable to the Stockholder upon conversion of shares of the Company's Preferred Stock held by the Stockholder on the date hereof, (a) if prior to April 1, 2019, at a price per Company Share less than $1.296, subject to adjustment for reverse and forward stock splits and the like, or (b) thereafter, at a price per share reflecting less than the price set forth on the schedule in the Leak-Out Agreements subject to adjustment for reverse and forward stock splits and the like, unless, (1) in the case of either clauses (a) or (b), otherwise approved by the Company's Board of Directors, (2) in the case of either clause (b), under a shelf prospectus or such other controlled offering as may be agreed to by the Principal Stockholders (as defined in the Stock Purchase Agreement) or (3) in the case of either clauses (a) or (b), in a sale pursuant to which any other stockholder(s) of the Company are offered the same terms of sale, including in a merger, consolidation, transfer or conversion involving the Company or any of its subsidiaries.

Subscription Agreements

The Company also entered into two separate subscription agreements in connection with the Accelmed investment: (i) a subscription agreement with Gohan Investments, Ltd. for $1.0 million to purchase 925,926 shares of our common stock at $1.08 per share; and (ii) a subscription agreement with Dr. Dolev Rafaeli for $1.0 million to purchase 925,926 shares of our common stock at $1.08 per share upon closing under the Accelmed SPA.

Other

The transaction is subject to shareholder approval. Sabby and Broadfin have entered into a Voting Undertaking with the Company. The Voting Undertaking obligates Broadfin and Sabby to vote all their voting shares in the Company at the special meeting to approve the proposed transactions, and to increase their respective beneficial interest up to 9.99% of the outstanding shares of Common Stock as needed for a quorum at the meeting.

The Company intends to schedule a special meeting of the stockholders as soon as practical and within the time limits set forth in the Accelmed SPA.

The foregoing descriptions of the Accelmed SPA, the Broadfin and Sabby SPAs, the Leak-Out Agreements and the Subscription Agreements are subject to, and qualified in their entirety by, such documents attached hereto as exhibits to this Form 8-K, respectively, which are incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Pursuant to the Accelmed SPA, on April 10, 2018, Dr. Dolev Rafaeli will become Interim Chief Executive Officer and Frank J McCaney, the Company's current CEO, will become Interim Chief Financial Officer on a part-time basis. Also, effective after the closing of the investment at least five of the current board members will resign and the Company's CEO will be a Board member. Accelmed shall have the right to fill all the remaining vacancies effective as of the Closing. The Company has initiated a search process for hiring a full-time chief financial officer.

On March 30, 2018, the Company executed an employment agreement for Dr. Rafaeli. The term of the employment agreement commences on April 10, 2018 until the third anniversary of the closing under the Accelmed SPA, which term is automatically renewed for one year unless either party provides 60 days' notice prior to the then current term; provided, however, that the employment agreement and Dr. Rafaeli's employment with the Company will terminate upon the termination of the Accelmed SPA prior to closing thereunder for any reason.

Dr. Rafaeli's base salary is $400 thousand per year, and he is entitled to bonus compensation based upon the achievement of earnings targets. Dr. Rafaeli was awarded stock options under the Company's 2016 Omnibus Incentive Plan equal to 7.5% of the Company's equity on a fully diluted basis as of immediately following the closing, taking into account the options granted, to be awarded as follows: (i) stock options exercisable for 1,557,628 shares of the Company's common stock were granted on March 30, 2018 at an exercise price of $1.12; and (ii) the balance of the stock options will be awarded upon approval by the Company's stockholders of the SPA and the transactions contemplated thereby (including the award of this balance of stock options) at the special meeting of stockholders, at the closing trading price of the Company's shares of common stock on Nasdaq on the day of the special meeting. The shares of common stock purchasable upon exercise of the stock options are subject to certain transferability restrictions under the employment agreement. The employment agreement also contains provisions for fringe benefits, reimbursement of expenses, nomination for election to the Board, indemnification, vacation, confidentiality, assignment of certain inventions and other intellectual property, covenant not to compete and payments upon termination, depending upon the type of termination.

The foregoing description of the employment is subject to, and qualified in their entirety by, such document attached hereto as exhibits to this Form 8-K, which is incorporated herein by reference.

Item 8.01. Other Events.

On April 2, 2018, the Company issued a press release regarding the financial agreements, which the Company is filing as an exhibit to this Form 8-K current report.

Additional Information and Where to Find It

This Form 8-K may be deemed solicitation material in respect of the proposed issuance of the shares of common stock of STRATA in the financing, which is subject to stockholder approval. STRATA intends to file with the Securities and Exchange Commission (the "SEC") and mail to its stockholders a definitive proxy statement in connection with the proposed transaction. This press release does not constitute a solicitation of any vote or approval. STRATA'S STOCKHOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT STRATA AND THE PROPOSED TRANSACTION. Investors and stockholders may obtain a free copy of the proxy statement and other documents filed with the SEC, when they become available, from the SEC's website at www.sec.gov or by accessing STRATA's website at www.strataskinsciences.com.

Certain Information Concerning Participants

STRATA, its directors, executive officers and certain other members of management and employees of STRATA may be deemed to be participants in the solicitation of proxies from STRATA's stockholders with respect to the proposed exchange transaction. Information about such persons who may, under the rules of the SEC, be considered participants in the solicitation of stockholders of STRATA in connection with the proposed transaction, and any interest they may have in the proposed transaction, will be set forth in the definitive proxy statement when it is filed with the SEC, which may be obtained as indicated above. Investors and stockholders can find additional information about STRATA's directors and executive officers in STRATA's annual report on Form 10-K, which STRATA filed with the SEC on April 2, 2018.

Item 9.01. Financial Statements and Exhibits.

EXHIBIT INDEX

Exhibit No	Exhibit Description
10.1	Securities Purchase Agreement dated as of March 30, 2018 between the Company and Accelmed
10.2	Securities Purchase Agreement dated as of March 30, 2018 between the Company and Broadfin
10.3	Securities Purchase Agreement dated as of March 30, 2018 between the Company and Sabby
10.4	Form of Registration Rights Agreement
10.5	Form of Leak-Out Agreement
10.6	Form of Voting Undertaking
10.7	Form of Subscription Agreement
10.8	Employment Agreement dated March 30, 2018 between the Company and Dr. Dolev Rafaeli
99.1	Press Release dated April 2, 2018

SIGNATURE

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

STRATA SKIN SCIENCES, INC.

By: /s/ Frank J. McCaney

Frank J. McCaney
President and Chief Executive Officer

Date April 2, 2018

EXHIBIT 10.1

SECURITIES PURCHASE AGREEMENT

BY AND BETWEEN

STRATA SKIN SCIENCES, INC.,

AND

ACCELMED GROWTH PARTNERS, L.P.

Dated as of March 30, 2018

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SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the "**Agreement**"), dated as of March 30, 2018, is entered into by and between STRATA Skin Sciences, Inc., a Delaware corporation (the "**Company**"), and Accelmed Growth Partners, L.P., a Cayman Island exempted limited partnership ("**Buyer**").

RECITALS

A. The Company has outstanding shares of common stock, par value $0.001 per share (the "**Common Stock**"), which shares of Common Stock are currently traded on the Nasdaq Capital Market (the "**Principal Market**").

B. The Company and Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "**1933 Act**"), and Rule 506 of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the 1933 Act.

C. Buyer wishes to purchase, and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, shares of Common Stock of the Company as further specified herein.

D. The Board of Directors of the Company (the "**Board**") has approved this Agreement, the other Transaction Documents, and the transactions contemplated hereby and thereby.

E. In order to induce Buyer to enter into this Agreement the Major Stockholders have delivered to the Company the Stockholders' Undertakings to be effective upon execution of this Agreement.

F. The defined terms contained herein are defined in the Index of Defined Terms attached hereto.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Buyer hereby agree as follows:

1. PURCHASE AND SALE OF SECURITIES.

1.1. Purchased Shares. At the Closing, subject to the satisfaction (or waiver) of the conditions set forth in Section 6 and Section 7 below, the Company shall issue and sell to Buyer, and Buyer shall purchase from the Company, 12,037,037 shares of Common Stock of the Company (the "**Purchased Shares**") for an aggregate purchase price of thirteen million dollars ($13,000,000) (the "**Purchase Price**"), reflecting a price per share of $1.08 (rounded up to nearest number of whole shares).

1.2. Closing. The closing (the "**Closing**") of the purchase of the Purchased Shares by Buyer as contemplated by this Agreement shall occur at the offices of Pepper Hamilton LLP, 1313 North Market Street, Suite 5100, Wilmington, Delaware 19801 or by an exchange of signature pages by fax or email, unless another place or method is agreed to by the Company and Buyer. The date and time of the Closing (the "**Closing Date**") shall be 10:00 a.m., New York time, on the first (1st) Business Day on which the conditions to the Closing set forth in Section 6 and Section 7 below are satisfied or waived (or such later date as is mutually agreed to by the Company and Buyer). As used herein, "**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to remain closed.

1.3. Payment of Purchase Price; Delivery of Security. On the Closing Date, (i) Buyer shall pay the Purchase Price to the Company for the Purchased Shares by wire transfer of immediately available funds in accordance with the Company's written wire instructions and (ii) the Company shall issue to Buyer the Purchased Shares registered in the name of Buyer, and evidenced by a stock certificate delivered at Closing in the manner set forth in Section 5.1.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to Buyer the matters set forth in this Section 2, as may be qualified by the corresponding section of the disclosure schedule delivered by the Company to Buyer (the "**Company Disclosure Schedule**"). These representations and warranties, and the information set forth in the Company Disclosure Schedule, are current as of the date of this Agreement, except to the extent that a representation, warranty or section of the Company Disclosure Schedule expressly states that such representation or warranty, or information in such section of the Company Disclosure Schedule, is current only as of an earlier date.

2.1. Organization and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company has no subsidiaries other than MTech India LLC and Photomedex India Private Limited (the "**Subsidiaries**"). Except as set forth in Schedule 2.1 of the Company Disclosure Schedule, each of the Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation (or formation, as applicable), and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company and each of the Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect. "**Material Adverse Effect**" means any material adverse effect on (i) the business, properties, assets, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (ii) the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents; provided, however, that any effect, to the extent resulting from any of the following, in and of itself or themselves, shall not constitute, and shall not be taken into

account in determining whether there has been or will be, a Material Adverse Effect: (i) changes in general economic, regulatory or political conditions or changes generally affecting the securities or financial markets; (ii) any actions, suits, claims, hearings, arbitrations, investigations or other proceedings relating to or arising out of this Agreement or the transactions contemplated by this Agreement by or before any governmental entity; (iii) a change in the market price or trading volume of the Common Stock; (iv) changes in general economic conditions or changes affecting the industry in which the Company operates generally (as opposed to Company-specific changes) so long as such changes do not have a disproportionate effect on the Company and its Subsidiaries taken as a whole; and (v) any implementation or adoption after the date hereof by a governmental authority of or changes or prospective changes in, applicable laws or accounting rules, including generally accepted accounting principles or interpretations thereof, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing. The Subsidiaries are wholly owned directly or indirectly by the Company, the shares in the Subsidiaries are free and clear of any encumbrances and no Person other than the Company has any rights convertible or exercisable into equity interests in any of the Subsidiaries or has claimed any encumbrance in respect of the shares in the Subsidiaries. "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof. The Company does not have any equity interest in (or any right convertible or exercisable into equity interest of) any entity other than the Subsidiaries. Neither of the Subsidiaries has any equity interest in (or any right convertible or exercisable into equity interest of) any other entity.

2.2. Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into, and perform its obligations under, this Agreement and the other Transaction Documents to which it is a party, and to issue the Purchased Shares in accordance with the terms hereof and thereof as applicable, subject to the receipt of the affirmative vote of the holders of a majority of the votes cast at the Company Stockholders Meeting (the "**Company Stockholder Approval**"). The execution and delivery by the Company of this Agreement and the other Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, have been duly authorized by the Board and, other than the filing with the SEC of one or more Registration Statements (as defined in the Registration Rights Agreement) in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC and any other filings as may be required by any state securities agencies, no further filing, consent or authorization is required by the Company, the Board or its stockholders or other governing body, other than the Company Stockholder Approval. This Agreement has been, and the other Transaction Documents to which the Company is a party will be, upon delivery at the Closing, duly executed and delivered by the Company, and each constitutes, or when delivered in accordance with the terms hereof will constitute, the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its respective terms, (i) except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies, (ii) except as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. "**Transaction Documents**" means, collectively, this Agreement, the Stockholders

Undertakings, the Registration Rights Agreement, and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

2.3. Issuance of Purchased Shares. The issuance of the Purchased Shares is (or will be prior to the Closing) duly authorized and, upon issuance in accordance with the terms of the Transaction Documents, will be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof. Subject to the accuracy of the representations and warranties of Buyer in this Agreement, the offer and issuance by the Company of the Purchased Shares is exempt from registration under the 1933 Act.

2.4. No Conflicts. Assuming receipt of the Company Stockholder Approval, and except as set forth on Section 2.4 of the Company Disclosure Schedule, the execution, delivery and performance by the Company of the Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, will not (i) result in a violation of the Certificate of Incorporation of the Company, any capital stock of the Company or Bylaws of the Company, (ii) materially conflict with, or constitute a material default (or an event which with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company is a party, or (iii) assuming the accuracy of the representations and warranties of Buyer set forth herein, result in a violation of any law, rule, regulation, order, judgment or decree (including, without limitation, foreign, federal and state securities laws and regulations and the rules and regulations of the Principal Market) applicable to the Company or by which any property or asset of the Company is bound and which will have a Material Adverse Effect.

2.5. Consents. The Company is not required to obtain any consent from, authorization or order of, or make any filing or registration with (other than the filing with the SEC of one or more Registration Statements in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC, obtaining the Company Stockholder Approval, the consents required pursuant to Section 2.4 of the Disclosure Schedule (all of which shall be obtained by the Company at or prior to Closing), the filings required pursuant to Sections 4.3 and 4.9, and any other filings, notices or applications as may be required by any state securities agencies), any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under, or contemplated by, the Transaction Documents, in each case, in accordance with the terms hereof or thereof. Assuming the Company Stockholder Approval is obtained, there is no requirement for the Company to obtain approval of the Principal Market for listing or trading of the "**Registrable Securities**" (as defined in the Registration Rights Agreement) which constitute Common Stock.

2.6. Acknowledgment Regarding Buyer's Purchase of Purchased Shares. The Company acknowledges and agrees that Buyer is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that Buyer is not (i) an officer or director of the Company, (ii) an "affiliate" (as defined in Rule 144) of the Company or (iii) to its Knowledge, a "beneficial owner" of more than 10% of the shares of Common Stock (as defined for purposes of Rule 13d-3 of the Exchange Act

of 1934 as amended (the "**1934 Act**")). The Company further acknowledges that Buyer is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by Buyer or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to Buyer's purchase of the Purchased Shares. The Company further represents to Buyer that the Company's decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation by the Company and its representatives.

2.7. No General Solicitation; Legal Fees; Placement Agent's Fees. Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Purchased Shares, except as set forth in Section 2.7 of the Company Disclosure Schedule. The Company shall be responsible for the payment of any placement agent's fees, financial advisory fees, or brokers' commissions (other than for Persons engaged by Buyer or its investment advisor) relating to or arising out of the transactions contemplated hereby. Except as set forth in Section 2.7 of the Company Disclosure Schedule, the Company has not engaged any placement agent or other agent in connection with the offer or sale of the Purchased Shares.

2.8. No Integrated Offering. None of the Company or any of its affiliates, nor any Person acting on its behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Purchased Shares under the 1933 Act, whether through integration with prior offerings or otherwise. None of the Company, its affiliates nor any Person acting on its behalf will take any action or steps that would require registration of the issuance of any of the Purchased Shares under the 1933 Act or cause the offering of any of the Purchased Shares to be integrated with other offerings of securities of the Company.

2.9. Application of Takeover Protections; Rights Agreement. The Company and the Board have taken all necessary action in order to render inapplicable any control share acquisition, interested stockholder, business combination, poison pill (including, without limitation, any distribution under a rights agreement) or other similar anti-takeover provision under the laws of any jurisdiction applicable to the Company, the Certificate of Incorporation, Bylaws or other organizational documents, or otherwise, which is or could become applicable to Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Purchased Shares and Buyer's ownership of the Purchased Shares. Without limiting the generality of the foregoing, the Board has approved Buyer becoming an "interested stockholder" within the meaning of Section 203 of Delaware General Corporation Law as a result of the transactions contemplated by this Agreement. The Company does not have any stockholder rights plans or similar arrangements relating to accumulations of beneficial ownership of shares of Common Stock or a change in control of the Company.

2.10. SEC Documents; Financial Statements. Since December 31, 2016, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the 1934 Act or has received an

extension of such time of filing (all of the foregoing filed prior to the date hereof and all exhibits and appendices included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "**SEC Documents**"). The Company has delivered to Buyer or its representatives true, correct and complete copies of each of the SEC Documents not available on the EDGAR system. As of their respective dates, each of the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state 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. As of their respective dates, the financial statements of the Company included in the SEC Documents complied in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto as in effect as of the time of filing. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude the footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate).

2.11. Absence of Certain Changes. Since the date of the Company's most recent audited financial statements contained in a Form 10-K, except as disclosed in the SEC Documents filed subsequent to such Form 10-K, there has been no Material Adverse Effect. Since the date of the Company's most recent audited financial statements contained in a Form 10-K, the Company has not (i) declared or paid any dividends, (ii) sold any assets outside of the ordinary course of business or (iii) made any material capital expenditures, individually or in the aggregate, outside of the ordinary course of business. The Company has not taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company have any Knowledge or reason to believe that any of its creditors intend to initiate involuntary bankruptcy proceedings or any actual Knowledge of any fact which would reasonably lead a creditor to do so. After giving effect to the transactions contemplated hereby to occur at or prior to the Closing, (i) the Company will not be Insolvent and (ii) the Company has not engaged in any business or in any transaction, and the Company is not about to engage in any business or in any transaction, for which the Company's remaining assets constitute unreasonably small capital.

"**Insolvent**" means, (i) the present fair saleable value of the Company's assets is less than the amount required to pay the Company's total Indebtedness, (ii) the Company is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured or (iii) the Company has current plans to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature. "**Indebtedness**" means, with respect to any Person, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all guarantees and arrangements having the economic effect of a guarantee of

such Person of any other Indebtedness of any other Person, (iv) obligations under letters of credit, bank guarantees and other similar contractual obligations entered into by or on behalf of such Person (in each case whether or not drawn, contingent or otherwise), (v) liabilities related to the deferred purchase price of property or services (including any earn-outs, contingent payments, seller notes or other similar obligations in connection with the acquisition of a business) other than those trade payables and accrued expenses incurred in the ordinary course of business, (vi) liabilities pursuant to capitalized leases to the extent required to be capitalized under generally accepted accounting principles, and (vii) net liabilities arising out of interest rate and currency swap arrangements and any other arrangements designed to provide protection against fluctuations in interest or currency rates. On the Closing Date, except as set forth on Schedule 2.13 of the Company's Disclosure Schedule, the Company and the Subsidiaries will not have any Indebtedness or other liabilities other than Indebtedness and liabilities (i) set forth in the last Quarterly Report on Form 10-Q filed by the Company with the SEC, or (ii) meeting both of the following conditions: (A) such Indebtedness or liabilities arose after the date of filing with the SEC of the Company's last Quarterly Report on Form 10-Q, and (A) were incurred in the ordinary course of business of the Company and the Subsidiaries and in compliance with the covenants and agreements of the Company contained herein.

2.12. No Undisclosed Events, Liabilities, Developments or Circumstances. To the Company's Knowledge, no event, liability, development or circumstance has occurred or exists with respect to the Company, any of the Subsidiaries, or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) that (i) would be required to be disclosed by the Company under applicable securities laws on a Registration Statement on Form S-1 filed with the SEC relating to an issuance and sale by the Company of its Common Stock and which has not been publicly announced, or (ii) would reasonably likely to have a Material Adverse Effect.

2.13. Conduct of Business; Regulatory Permits. The Company is not in violation of any term of or in default under its Certificate of Incorporation, any certificate of designation, or Bylaws. Except as would not have a Material Adverse Effect or as described in the NASDAQ Letters (as defined below), to the Company's Knowledge, neither the Company nor any of the Subsidiaries is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or to such Subsidiary, and neither the Company nor any of the Subsidiaries will conduct its business in violation of any of the foregoing. Without limiting the generality of the foregoing, except as described in the NASDAQ Letters, the Company is not in violation of any of the rules, regulations or requirements of the Principal Market and has no Knowledge of any facts or circumstances that could reasonably lead to suspension of the Common Stock by the Principal Market in the foreseeable future. Since January 1, 2017, (i) the Common Stock has been designated for quotation on the Principal Market, (ii) trading in the Common Stock has not been suspended by the SEC or the Principal Market and (iii) except as described in the NASDAQ Letters, the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension of the Common Stock from the Principal Market. Each of the Company and the Subsidiaries possesses all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct its businesses, except where the failure to possess such certificates, authorizations or permits would not have, individually or in the aggregate, a Material Adverse Effect, and the Company has not received any written or oral notice of proceedings relating to the revocation or

modification of any such certificate, authorization or permit. The "**NASDAQ Letters**" means the letters dated as of April 27, 2016 and October 25, 2016, delivered by the Principal Market to the Company.

2.14. Foreign Corrupt Practices. Neither the Company nor any of the Subsidiaries nor, to the Company's Knowledge, any director, officer, agent, employee or other Person acting on behalf of the Company or any of the Subsidiaries (as applicable) has, in the course of its actions for, or on behalf of, the Company or any of the Subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

2.15. Sarbanes-Oxley Act. Except as set forth on Schedule 2.15 of the Company's Disclosure Schedule, The Company is in compliance in all material respects with all applicable requirements of the Sarbanes-Oxley Act of 2002 and all applicable rules and regulations promulgated by the SEC thereunder.

2.16. Transactions with Affiliates. Except as set forth in the SEC Documents and other than the Transaction Documents, and except as set forth on Schedule 2.16 of the Company's Disclosure Schedule, none of the officers or directors of the Company, and to the Company's Knowledge, none of the employees or affiliates of the Company is presently a party to any transaction with the Company (other than for ordinary course services as employees, officers or directors and immaterial transactions), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director, employee or affiliate or, to the Knowledge of the Company, any corporation, partnership, trust or other Person in which any such officer, director, employee or affiliate has a substantial interest or is an employee, officer, director, trustee or partner, in each case that would be required to be disclosed pursuant to Regulation S-K promulgated under the 1933 Act.

2.17. Equity Capitalization. As of the date hereof, the authorized capital stock of the Company consists solely of (a) 150,000,000 shares of Common Stock, $0.001 par value, of which 4,379,425 are issued and outstanding and (b) 10,000,000 shares of preferred stock, $0.10 par value, of which (i) 12,300 of which are designated series A Convertible Preferred Stock, of which 0 are issued and outstanding, (ii) 12,300 of which are designated series B Convertible Preferred Stock, of which 0 are issued and outstanding, and (iii) 40,617 of which are designated series C Convertible Preferred Stock, of which 35,981 are issued and outstanding. No shares of Common Stock are held in treasury. All of such outstanding shares are duly authorized and have been validly issued and are fully paid and non-assessable. 5,784 shares of the Company's issued and outstanding Common Stock on the date hereof are owned by Persons who are "affiliates" (as defined in Rule 405 of the 1933 Act and calculated based on the assumption that only officers, directors and holders of at least 10% of the Company's issued and outstanding Common Stock are "affiliates" without conceding that any such Persons are "affiliates" for purposes of federal securities laws) of the Company. Except as set forth on Section 2.17 of the Company Disclosure

Schedule or pursuant to the Transaction Documents: (i) to the Company's Knowledge, no Person owns 10% or more of the Company's issued and outstanding shares of Common Stock (calculated based on the assumption that all convertible securities, whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking account of any limitations on exercise or conversion (including "blockers") contained therein without conceding that such identified Person is a 10% stockholder for purposes of federal securities laws); (ii) the Company's capital stock is not subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company; (iii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any capital stock of the Company, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue any capital stock of the Company; (iv) there are no outstanding debt securities, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness of the Company or by which the Company is or may become bound; (v) there are no financing statements securing obligations in any amounts filed in connection with the Company with respect to any outstanding Indebtedness; (vi) there are no agreements or arrangements under which the Company is obligated to register the sale of any of their securities under the 1933 Act (except pursuant to the Registration Rights Agreement); (vii) there are no outstanding securities or instruments of the Company which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company is or may become bound to redeem a security of the Company; (viii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Purchased Shares; (ix) the Company has no stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (x) the Company does not have any liabilities or obligations required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company's business and which does not or would not reasonably be expected to have a Material Adverse Effect. The Company has furnished to Buyer true, correct and complete copies of the Company's Amended and Restated Certificate of Incorporation, as amended and as in effect on the date hereof (the "**Certificate of Incorporation**"), and the Company's Amended and Restated Bylaws, as amended and as in effect on the date hereof (the "**Bylaws**"), and the terms of all securities convertible into, or exercisable or exchangeable for, shares of Common Stock and the material rights of the holders thereof in respect thereto.

2.18. Indebtedness and Other Contracts. Except as set forth on Schedule 2.18 of the Company's Disclosure Schedule, the Company is not in violation of any term of, or in default under, any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect. Except as disclosed in the SEC Documents, the Company (i) does not have any material outstanding Indebtedness or other material obligations and (ii) is not a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument would reasonably be expected to result in a Material Adverse Effect.

2.19. Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, government agency,

self-regulatory organization or body pending or, to the Knowledge of the Company, threatened against or affecting the Company, the Common Stock or any of the Company's officers or directors which would be reasonably likely to adversely affect the transactions contemplated by this Agreement or would require disclosure in the SEC Documents, except as otherwise disclosed in the SEC Documents or as set forth on Section 2.19 of the Company Disclosure Schedule. There has not been, and to the Knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company or any current or former director or officer of the Company. The SEC has not issued any stop order or other order suspending the effectiveness of any Registration Statement filed by the Company under the 1933 Act or the 1934 Act.

2.20. Insurance. The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company is engaged. The Company has not been refused any insurance coverage sought or applied for, and the Company has no reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

2.21. Employee Relations. Neither the Company nor any of the Subsidiaries is a party to any collective bargaining agreement nor, to the Company's Knowledge, does it employ any member of a union and there are no works councils or similar representative bodies within the Company or any of the Subsidiaries. The Company and each Subsidiary is in compliance in all material respects with its wage payment obligations to current and former employees and with its obligations to make tax-related deductions or withholdings from such wages. To the Company's Knowledge, except as would not have a Material Adverse Effect, since January 1, 2015, there has not been any workplace accident, illness or injury suffered by any employee or independent contractor of the Company or any of the Subsidiaries that is not fully recovered or recoverable by insurance and that is likely to give rise to any liability by the Company or any of the Subsidiaries to such current or former employee, independent contractor of the Company or any of the Subsidiaries. No current executive officer (as defined in Rule 501(f) promulgated under the 1933 Act) of the Company or any of the Subsidiaries has notified the Company or any of the Subsidiaries that such officer intends to leave the Company or any of the Subsidiaries or otherwise terminate such officer's employment with the Company or any of the Subsidiaries. No current executive officer of the Company or any of the Subsidiaries is, to the Company's Knowledge, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, with the Company or a Subsidiary, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. Except as described in the SEC Documents or as set forth Schedule 2.21 of the Company's Disclosure Schedule, there are no pending legal claims or, to the Company's Knowledge, threatened legal claims, asserted by any current or former employee of the Company or any of the Subsidiaries against the Company or any of the Subsidiaries, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. The Company and each of the Subsidiaries is in compliance in all material respects with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of

employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Except as set forth in the SEC Documents or as set forth in Schedule 2.21 of the Company's Disclosure Schedule or as would not, individually or in the aggregate, have a Material Adverse Effect, neither the Company nor any of the Subsidiaries has entered into or made: (i) any agreement currently in effect to make any payment or to grant any loan or advance to any employee other than in respect of salary or standard benefits; (ii) any agreement currently in effect with any employee that provides that a change of control or a change of the management of the Company or any Subsidiary shall entitle such employee to any payment or benefit whatsoever or entitling him to treat himself as redundant or otherwise dismissed or released from any obligation; (iii) any agreement currently in effect imposing an obligation on the Company or any Subsidiary to change any terms of employment or working conditions or to increase the rates of remuneration or to make any bonus or incentive payments or any benefits in kind to any of its employees at any future date nor has the Company or any Subsidiary announced or proposed any such agreement; or (iv) any offer of an employment agreement to any person that is outstanding.

2.22. Pensions. Except as set forth in Section 2.22 of the Company Disclosure Schedule, neither the Company nor the Subsidiaries have obligations in respect of any retirement benefits (including any pre-pension, early retirement or similar benefits payable on or following retirement, termination of employment, disability or death) for or in respect of any present or former employee or managing director of the Company or any Subsidiary, and/or their spouses or dependents.

2.23. Personal Property. Except as set forth in Section 2.23 of the Company Disclosure Schedule, each of the Company and the Subsidiaries has good and marketable title to its personal property owned by it which is material to the business of the Company, in each case, free and clear of all liens, encumbrances and defects except such as would not have a Material Adverse Effect.

2.24. Real Property.

2.24.1. Neither the Company nor any of the Subsidiaries owns any real property or has the obligation to acquire title to any real property.

2.24.2. Any real property and facilities held under lease by the Company or any of the Subsidiaries (the "**Company Real Property**") are held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company or any Subsidiary, as the case may be.

2.24.3. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

2.24.3.1. There are no liens or encumbrances affecting the Company Real Property.

2.24.3.2. The current use of the Company Real Property complies with every prevailing zoning plan and planning permission.

2.24.3.3. No real property used or occupied by the Company or any of the Subsidiaries, including the Company Real Property, is polluted or contains or has contained asbestos.

2.24.3.4. The Company and the Subsidiaries have observed the terms and conditions of the leases of the Company Real Property and none of the Company or any of the Subsidiaries received a complaint regarding any alleged breach of any such terms or conditions.

2.24.4. No obligation exists for the Company or any Subsidiary to restore the Company Real Property in its original state.

2.25. Intellectual Property Rights.

2.25.1. The Company and its Subsidiaries own, or possess adequate rights or licenses to use, all trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights necessary or material for use in their respective businesses as now conducted (the "**Company Intellectual Property**").

2.25.2. Except as set forth on Section 2.25.2 of the Company Disclosure Schedule, neither the Company nor any Subsidiary has assigned or licensed any Company Intellectual Property to any third party. Except as set forth in the SEC Documents, the Company has not received any written notice or claim challenging the ownership or possession of its rights to use the Company Intellectual Property, or suggesting that any other Person has any claim of legal or beneficial ownership with respect thereto. Except as set forth in the SEC Documents, the Company has not received any written notice challenging, terminating, amending, or affecting the interest of the Company in the Company Intellectual Property.

2.25.3. The Company has taken all necessary actions deemed commercially reasonable by the Company to maintain and protect the Company Intellectual Property including, if and when applicable and required, the secrecy or confidentiality thereof, to the extent any such actions may be taken by the Company. Except as would not have a Material Adverse Effect, all applicable filing, examination, maintenance and legal fees due as of the date hereof in connection with the Company Intellectual Property have been paid in full.

2.25.4. Except as set forth in the SEC Documents or as set forth on Schedule 2.25.4 of the Company's Disclosure Schedule, the Company has not received written notice of a claim, nor does the Company have any Knowledge that any of the Company Intellectual Property is invalid, unenforceable, or misused. As used in this Agreement, the term "**Knowledge**" of an entity means the knowledge of any director, officer, general partner or manager of such entity, including Knowledge that could have been obtained by any such director, officer, general partner or manager of the entity following reasonable investigation of the relevant matter.

2.25.5. No Company Intellectual Property licensed to the Company, and, to the Knowledge of the Company, no intellectual property licensed by the Company is involved in any interference, reissue, reexamination, opposition or cancellation proceeding or any other litigation or proceeding of any kind in the United States or in any other jurisdiction.

2.25.6. Except as set forth on Section 2.25.6 of the Company Disclosure Schedule, to the Knowledge of the Company, no third party has, will be or currently is infringing, misappropriating, diluting or otherwise misusing any of the Company Intellectual Property.

2.25.7. To the Knowledge of the Company, the transactions contemplated by this Agreement shall have no adverse effect on the right, title and interest of the Company and in and to Company Intellectual Property.

2.25.8. Except as disclosed to Buyer in writing prior to the date hereof, all current employees and consultants of the Company have signed agreements (for the benefit of the Company) containing confidentiality provisions and invention assignment provisions.

2.25.9. Except as set forth in the SEC Documents, the Company has not received any written communications alleging, nor does the Company have any Knowledge, that it has violated or, by conducting its business as currently conducted is currently violating any of the intellectual property rights of any other Person. To the Company's Knowledge, it is not necessary to the business, as currently conducted, to obtain any other intellectual property rights from any third Person other than those which are owned by or licensed to the Company or are in the public domain.

2.25.10. To the Company's Knowledge and except as would not result in a Material Adverse Effect, it is not necessary to the business, as currently conducted, to utilize any intellectual property of any of its employees of the Company made prior to their employment by the Company, except for inventions, trade secrets or proprietary information that have been assigned or licensed to the Company.

2.25.11. Since the last filing by the Company of its Form 10-K through the EDGAR system, there has not been any sale, assignment or transfer of ownership interest in any Company Intellectual Property or other intangible assets of the Company.

2.26. FDA. Except as set forth in the SEC Documents or as set forth on Section 2.26 of the Company Disclosure Schedule:

2.26.1. As to each product subject to the Food and Drug Administration ("**FDA**"), any EU Regulatory Entity or any comparable foreign laws, rules and regulations (such laws and regulations, "**Medical Regulations**") that has been developed, manufactured, tested, distributed and/or marketed by or on behalf of the Company or the Subsidiaries (each such product, a "**Company Product**"), each such Company Product has been developed, manufactured, tested, distributed and marketed in compliance in all material respects with all applicable requirements under the Medical Regulations, including those relating to registration and listing, good manufacturing practice requirements, quality systems regulations, labeling, advertising, record keeping and filing of required reports and security. Except as set forth on

Section 2.26.1 of the Company Disclosure Schedule, the Company or the Subsidiaries have not received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring the termination, suspension or modification of any, preclinical or clinical studies or tests or alleging a violation of any applicable Medical Regulations with all preclinical and clinical trials, Company Products or proposed products. For purposes of this Section 2.26, "EU Regulatory Entity" means (a) the body which has the authority to act on behalf of a European Union (EU) member state to ensure that the requirements of applicable medical device directives are carried out in that particular member state (a "**Competent Authority**"), (b) a certification organization which the Competent Authority of an EU member state designates to carry out one or more of the conformity assessment procedures according to the medical device directives, and (c) other comparable governmental or non-governmental regulatory entities of an EU member state.

2.26.2. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, the Company and the Subsidiaries have not had any Company Product or manufacturing site subject to a governmental entity (including FDA or any EU Regulatory Entity) shutdown or import or export prohibition, nor received any notice of inspectional observations, "warning letters," "untitled letters" or, to the Knowledge of the Company, requests or requirements to make changes to the operations of the Company's business or the Company Products that if not complied with would reasonably be expected to materially adversely affect the operations of the Company's business, or similar correspondence or written notice from the FDA, an EU Regulatory Entity or other governmental entity in respect of the Company's business and alleging or asserting noncompliance with any applicable Medical Regulations, laws, governmental permits or such requests or requirements of a governmental entity, and, to the Knowledge of the Company, none of the FDA, any EU Regulatory Entity or any other governmental entity is considering such action. No Company Product or other safety report with respect to the Company or the Company Products has been reported by the Company, and to the Knowledge of the Company, no Company Product or other safety report is under investigation by any governmental entity with respect to the Company Products or the Company's business. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, neither the Company nor the Subsidiaries have received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring termination, suspension or modification of any preclinical or clinical studies or tests or alleging a violation of any applicable laws or regulations in connection with all preclinical and clinical trials, Company Products or proposed products.

2.26.3. The Company and the Subsidiaries have filed or caused to be filed all required notices and other reports, including adverse experience reports, with respect to all preclinical and clinical trials with respect to the Company Products, except where such failure to file would not have a Material Adverse Effect.

2.26.4. The Company and the Subsidiaries, or its designated agents, own or have the right to use all regulatory documents, including all correspondence and reports made to governmental authorities, with respect to the Company Products or currently proposed products of the Company, except whether the failure to own or use such documents would not have a Material Adverse Effect.

2.26.5. Neither the Company nor any of the Subsidiaries, nor to the Company's Knowledge, any Person that manufactures, tests or distributes any Company Product on behalf of the Company has made with respect to any Company Product, an untrue statement of a material fact or fraudulent statement to the FDA, any EU Regulatory Entity or any other state or foreign regulatory authority or failed to disclose a material fact required to be disclosed to the FDA, any EU Regulatory Unit or any other state or foreign regulatory authority.

2.26.6. The Company has not, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has, engaged in any conduct for which debarment is mandated by 21 U.S.C. §335a(a) or any similar state or foreign law or regulation or authorized by 21 U.S.C. §335a(b) or any similar state or foreign law or regulation.

2.26.7. Where and when applicable, the Company has been, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has not been, in substantial compliance with the Medicare Anti-Kickback Statute, 42 U.S.C. §1320a-7b(b) and implementing regulations codified at 42 C.F.R. §1001 and with all similar state or foreign laws and regulations.

2.27. Healthcare Matters. Each of the Company and the Subsidiaries and the operations thereof are and have been in compliance in all material respects with all Healthcare Laws. "**Healthcare Laws**" means all legal requirements and government orders governing, regulating, restricting or relating or pertaining to the manufacturing, testing, distribution, sale, marketing or advertising, ordering or referring of, or the billing, coding or payment for, medical devices that are applicable to the business of Company or the Subsidiaries, including without limitation all (i) statutes, rules, regulations and other legal requirements governing the operation and administration of Medicare, Medicaid or other government healthcare programs, (ii) the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b), the federal Stark Law (42 U.S.C. § 1395nn), the federal civil False Claims Act (31 U.S.C. §§ 3729 *et seq*.), the federal Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), the federal Exclusion Laws (42 U.S.C. § 1320a-7), the Federal Health Care Fraud Law (18 U.S.C. § 1347) and or any comparable U.S., European Union, or other foreign laws, rules and regulations relating to self-referral, anti-kickback, illegal remuneration, fraud and abuse or the defrauding of or making or presenting of any false claim, false statement or misrepresentation of material facts to any federal government programs or other third-party payor, (iii) to the extent not otherwise defined as Medical Regulations in Section 2.26.1 of this Agreement, the Federal Food, Drug and Cosmetic Act, as amended, and the rules and regulations of the U.S. Food and Drug Administration, and comparable laws, rules or regulations of any EU Regulatory Entity or other state or foreign regulatory body, (iv) laws pertaining to the privacy or security of protected health information within the meaning of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (1996) ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, enacted as Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005 (2009) ("HITECH"), and similar privacy laws, and (v) all applicable rules and regulations promulgated under, and state, local and foreign legal requirements that address the subject matter of, any of the foregoing.

2.27.1. There is, and has been, no action pending, or, to Company's Knowledge, any action threatened in writing, alleging noncompliance with any Healthcare Law by any of (i) the Company, (ii) the Subsidiaries or (iii) their respective members, shareholders, owners, directors, managers, officers, employees, or to Company's Knowledge, independent contractors or agents, relating to the business of the Company or the Subsidiaries, except such as would not reasonably be likely to result in a Material Adverse Effect. None of the Company or the Subsidiaries has received or been served in the last five (5) years with any search warrant, subpoena, civil investigative demand, contact letter or other written notice from any governmental authority or governmental or private third-party payor alleging any or relating to any alleged material violation by any of the Company of the Subsidiaries of any Healthcare Law.

2.27.2. None of the Company or the Subsidiaries is or has been: (i) excluded, debarred or suspended from participation in any governmental healthcare program or other third-party payor plan or program, or any federal or state governmental procurement or non-procurement program; (ii) convicted of any criminal offenses relating to the delivery of an item or service under any governmental healthcare program or other third-party payor plan or program, fraud, theft, embezzlement, breach of fiduciary responsibility or other financial misconduct in connection with the delivery of a healthcare item or service or with respect to any act or omission under any governmental healthcare program or other third-party payor plan or program, or interference with or obstruction of any investigation into any criminal offense; (iii) subject to any governmental order of, or any criminal, civil or administrative fine, assessment or penalty imposed by, any governmental authority with respect to any governmental healthcare program or other third-party payor plan or program; nor (iv) party to any corporate integrity agreement, deferred prosecution agreement or similar agreement, or subject to any reporting obligations relating to the provision of any healthcare goods or services or the payment therefor pursuant to any settlement agreement, with the Office of the Inspector General, U.S. Department of Health and Human Services, U.S. Department of Justice or other governmental authority; nor is any of the foregoing pending or, to the Company's Knowledge, threatened.

2.28. Environmental Laws. Each of the Company and the Subsidiaries (i) is in compliance with all Environmental Laws, (ii) has received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its businesses and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect. "**Environmental Laws**" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "**Hazardous Materials**") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.29. Product Liability and Warranty. Except as set forth on Section 2.29 of the Company Disclosure Schedule. each product or service sold, manufactured, designed, packaged, distributed, leased, provided or otherwise delivered by the Company or the Subsidiaries has been in conformity, in all material respects, with all applicable laws, contractual commitments and all express and implied warranties, and neither the Company or any of the Subsidiaries has any material liability (and, to the Company's Knowledge, there is no, basis for any, present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against, or recall by, the Company) for replacement or repair of any such products or services or other damages in connection therewith. Except as set forth on Section 2.29 of the Company Disclosure Schedule, to the Company's Knowledge, there is no, basis for any, present or future action against the Company giving rise to any material liability, arising out of product liability obligations or claims, or any injury to Person or property, in each case as a result of the ownership, possession or use of a product or service manufactured, sold, designed, packaged, distributed, leased, delivered or provided by the Company.

2.30. Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "**Personal Information**"), the Company and the Subsidiaries are and have been, to the Company's Knowledge, in compliance in all material respects with all applicable laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any contract or codes of conduct to which the Company is a party. The Company and the Subsidiaries have commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company and the Subsidiaries have been, to the Company's Knowledge, in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.31. Tax Status. Except as set forth on Section 2.31 of the Company Disclosure Schedule and except as would not reasonably be likely to result in a Material Adverse Effect on the Company and its Subsidiaries:

2.31.1. The Company and the Subsidiaries (i) have filed all non-U.S., U.S. federal, state, local and other income and other material tax returns, reports and declarations required by any jurisdiction to which the Company and any of its Subsidiaries are subject ("**Tax Returns**") (and each such Tax Return is correct and complete in all material respects), (ii) have timely paid all income and other material taxes, governmental assessments and charges due ("**Taxes**") (whether or not shown on any Tax Return), other than any such Taxes being contested in good faith by appropriate proceedings, and (iii) have set aside adequate reserves in accordance with generally accepted accounting principles for Taxes being contested as described in clause (ii).

2.31.2. The Company and its Subsidiaries have not received written notice of unpaid Taxes in any material amount claimed to be due by the taxing authority of any jurisdiction.

2.31.3. There is no action, audit, dispute or claim now pending, or proposed or threatened in writing, against or with respect to the Company or any of its Subsidiaries with respect to Taxes.

2.31.4. No written claim has been made by a taxing authority in a jurisdiction where any of the Company or its Subsidiaries do not file tax returns that any of them is or may be subject to taxation by that jurisdiction.

2.31.5. There are no liens on any of the stock or assets of any of the Company or its Subsidiaries with respect to Taxes (other than for Taxes not yet due and payable or for which adequate reserves are provided for in the SEC Documents).

2.31.6. Each of the Company and its Subsidiaries (i) has withheld and timely paid all material taxes required to have been withheld and paid, (ii) is not subject to a waiver of any statute of limitations in respect of Taxes or any extension of time with respect to a material Tax assessment or deficiency that is still in effect, and (iii) is not subject to any private ruling or closing agreement with a taxing authority, and (iv) is not a party to a tax allocation or sharing agreement (other than any agreement solely among the Company and its Subsidiaries and other than the indemnification and gross-up provision of the Company's credit facilities and similar provisions of any other agreement entered into in the ordinary course of business (e.g., leases), the principal purpose of which is not related to taxes).

2.31.7. None of the Company or its Subsidiaries has liability for the Taxes of another person (other than the Company or its Subsidiaries) as transferee or successor, by contract or pursuant to law.

2.31.8. Except for any taxable period (or portion thereof) ending after the Closing Date as a result of any intercompany transaction, excess loss account arising in any taxable period (or portion thereof) prior to the Closing Date, prepaid amount received prior to the Closing Date, cancellation of indebtedness income with respect to indebtedness incurred prior to the Closing Date, or change of accounting method made with respect to a taxable period prior to the Closing Date, except to the extent that the liability or inclusion of income, as applicable, would not result in a Material Adverse Effect.

2.31.9. No Subsidiary other than Photomedex India Private Limited is a foreign entity, and the Company does not own any record or beneficial interest in any other foreign entity.

2.32. Internal Accounting and Disclosure Controls. Except as provided in Section 2.32 of the Company Disclosure Schedule, the Company maintains internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the 1934 Act) that is sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets a

liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the 1934 Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Except as set forth in Section 2.32 of the Company's Disclosure Schedule, the Company has not received any notice or correspondence from any accountant or other Person relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company. There are no material disagreements presently existing, or reasonably anticipated by the Company to arise, between the accountants and lawyers presently employed by the Company.

2.33. Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off-balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise would be reasonably likely to have a Material Adverse Effect.

2.34. Investment Company Status. The Company is not, and upon consummation of the sale of the Purchased Shares will not be, an "investment company," an affiliate of an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

2.35. Acknowledgement. The Company acknowledges that sales of shares of Common Stock by Buyer following the effectiveness of the Registration Statement or pursuant to Rule 144 or otherwise pursuant to an exemption from registration may reduce the price of the Common Stock. None of the foregoing shall constitute a breach of this Agreement or any other obligation of Buyer.

2.36. Manipulation of Price. The Company has not, and, to the Knowledge of the Company, no Person acting on its behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Purchased Shares, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Purchased Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

2.37. U.S. Real Property Holding Corporation. The Company is not and has not ever been a U.S. real property holding corporation within the meaning of Section 897 of the Code, and the Company shall so certify upon Buyer's request.

2.38. Registration Eligibility. The Company is eligible to register the resale of the Purchased Shares by Buyer on Form S-3.

2.39. Transfer Taxes. On the Closing Date, all stock transfer or other taxes (other than income or similar taxes) which are required to be paid in connection with the issuance, sale and transfer of the Purchased Shares to be sold to Buyer hereunder will be, or will have been, fully paid or provided for by the Company, and the Company shall file any Tax Returns required to be filed with respect to such taxes.

2.40. Shell Company Status. The Company is not, and has never been, an issuer identified in, or subject to, Rule 144(i).

2.41. Illegal or Unauthorized Payments; Political Contributions. Neither the Company nor, to the Company's Knowledge, any of the officers, directors, employees, agents or other representatives of the Company or any other business entity or enterprise with which the Company is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company.

2.42. Money Laundering. The Company is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

2.43. Registration Rights. No holder of securities of the Company (other than Buyer and other holders of the Company's securities who are parties to the Registration Rights Agreement) has rights to the registration of any securities of the Company because of the filing of the Registration Statement under the Registration Rights Agreement or the issuance of the Purchased Shares hereunder.

2.44. Accounts Receivable. All of the Company's and the Subsidiaries accounts receivable reflected in the Company's last filed Quarter Report on Form 10-Q constituted at that time a valid claim in the full amount thereof against the debtor charged therewith on the books of the Company, and has been acquired in the ordinary course of business.

2.45. Relationships with Customers and Suppliers. Except as set forth on Section 2.45 of the Company Disclosure Schedule, neither the Company nor any of the Subsidiaries is engaged in any dispute with any customer or supplier and, to the Knowledge of the Company, no customer or supplier intends to terminate or modify its business relations with the Company, in each case where the result of such dispute, termination or modification is likely to result in a Material Adverse Effect.

2.46. Incentive Plan. Prior to the date hereof, the Board (or a committee thereof) has taken all necessary actions to adjust to reflect the 5-to-1 reverse stock split effected on April 6, 2017, (a) the total number of shares of Common Stock available for issuance under the 2016 Omnibus Incentive Plan (the "**Plan**") from 10,294,400 to 2,058,880 shares of Common Stock and (b) all outstanding Incentive Awards (as such term is defined in the Plan) under the Plan. As of the date of this Agreement, the total number of shares of Common Stock available for issuance under the Plan is 1,557,628. Except as set forth in the SEC Documents and on Schedule 2.46 of the Company Disclosure Schedule, the Company does not have any employee stock option plans other than the Plan, and no options remain outstanding under any other stock option plans of the Company.

2.47. Acknowledgement. All disclosure provided to Buyer regarding the Company, its business and the transactions contemplated hereby, including the representations and warranties set forth in, and the schedules attached to, this Agreement, furnished by or on behalf of the Company is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each press release issued by the Company during the twelve (12) months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit to state 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 are made, not misleading. No event or circumstance has occurred, or information exists with respect to the Company or its business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed. The Company acknowledges and agrees that Buyer makes no, and has not made any, representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.

3. BUYER'S REPRESENTATIONS AND WARRANTIES.

Buyer represents and warrants to the Company that:

3.1. Organization; Authority. Buyer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents to which it is a party and otherwise to carry out its obligations hereunder and thereunder.

3.2. No Public Sale of Distribution. Buyer is acquiring the Purchased Shares, for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof in violation of applicable securities laws, except pursuant to sales registered or exempted under the 1933 Act; provided, however, by making the representations herein, Buyer does not agree, or make any representation or warranty, to hold any of the Purchased Shares for any minimum or other specific term and reserves the right to dispose of the Purchased Shares at any time in accordance with or pursuant to a Registration Statement or an exemption under the 1933 Act. Buyer does not presently have any agreement or understanding, directly or

indirectly, with any Person to distribute any of the Purchased Shares in violation of applicable securities laws.

3.3. Accredited Investor Status. Buyer is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D.

3.4. Reliance on Exemptions. Buyer understands that the Purchased Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of Buyer to acquire the Purchased Shares.

3.5. Information. Buyer and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Purchased Shares which have been requested by Buyer, including a copy of the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current reports on Form 8-K, if any. Buyer and its advisors, if any, have been afforded the opportunity to ask questions of, and receive answers from, the Company concerning the offer and sale of the Purchased Shares and to obtain any additional information Buyer has requested which is necessary to verify the accuracy of the information furnished to Buyer concerning the Company and such offering. Buyer understands that its investment in the Purchased Shares involves a high degree of risk. Buyer has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Purchased Shares. Buyer also acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of the Company set forth in Section 2 of this Agreement; and (b) neither the Company nor any other Person has made any representation or warranty as to the Company or this Agreement, except as expressly set forth in Section 2 of this Agreement.

3.6. No Governmental Review. Buyer understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Purchased Shares or the fairness or suitability of the investment in the Purchased Shares nor have such authorities passed upon or endorsed the merits of the offering of the Purchased Shares.

3.7. Transfer or Resale. Buyer understands that except as provided in the Registration Rights Agreement and Section 4.3 hereof: (i) the Purchased Shares have not been and are not being registered under the 1933 Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, or (B) Buyer shall have delivered to the Company (if requested by the Company) an opinion of counsel to Buyer, in a form reasonably acceptable to the Company, to the effect that such Purchased Shares to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration; (ii) any sale of the Purchased Shares made in reliance on Rule 144 or Rule 144A promulgated under the 1933 Act (or a successor rule thereto)("**Rule 144**") may be made only in accordance with the terms of Rule 144, and further, if Rule 144 is not applicable, any

resale of the Purchased Shares under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as that term is defined in the 1933 Act) may require compliance with some other exemption under the 1933 Act or the rules and regulations of the SEC promulgated thereunder; and (iii) neither the Company nor any other Person is under any obligation to register the Purchased Shares under the 1933 Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder.

3.8. Validity; Enforcement. This Agreement has been, and the other Transaction Documents to which Buyer is a party, or will be upon delivery at the Closing has been, duly and validly authorized, executed and delivered on behalf of Buyer and each constitutes or, when delivered in accordance with the terms hereof, will constitute, the legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

3.9. No Conflicts. The execution, delivery and performance by Buyer of the Transaction Documents to which it is a party and the consummation by Buyer of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of Buyer, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Buyer is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to Buyer, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligations hereunder.

3.10. Availability of Funds. Buyer has all funds necessary to purchase all the Purchased Shares to be issued under this Agreement and to timely consummate the transactions contemplated herein.

3.11. Manipulation of Price. Buyer has not, and, to the Knowledge of Buyer, no Person acting on its behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of Buyer to facilitate the sale or resale of any securities of Buyer, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any securities of Buyer, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of Buyer.

3.12. Illegal or Unauthorized Payments; Political Contributions. Neither Buyer nor, to Buyer's Knowledge, any of the officers, directors, employees, agents or other representatives of Buyer or any other business entity or enterprise with which Buyer is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of Buyer.

3.13. Money Laundering. Buyer is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

3.14. Legends. Buyer understands that, except as provided in Section 5.1, certificates evidencing the Purchased Shares may bear any legend as required by the Blue Sky laws of any state and a restrictive legend in substantially the form set forth in Section 5.1.

3.15. Ownership of Common Stock. Buyer is not, nor at any time during the last three (3) years has it been, and "interested stockholder" of the Company as defined in Section 203 of the Delaware General Corporation Law. Buyer does not own (directly or indirectly, beneficially or of record) and is not a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of, in each case, any shares of capital stock of the Company (other than as contemplated by this Agreement).

3.16. Foreign Investors. If the Buyer is not a United States person (as defined by Section 7701(a)(30) of the Code), the Buyer hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Purchased Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Purchased Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Purchased Shares. The Buyer's subscription and payment for and continued beneficial ownership of the Purchased Shares will not violate any applicable securities or other laws of the Buyer's jurisdiction.

4. COVENANTS.

4.1. Commercially Reasonable Efforts. Buyer shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 6 of this Agreement. The Company shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 7 of this Agreement.

4.2. Corporate Examinations and Investigations. Between the date hereof and the Closing Date (or, if earlier, the date of termination of this Agreement), the Company shall reasonably cooperate (and shall use commercially reasonable efforts to cause the Company's officers, employees, consultants, agents, attorneys and accountants to reasonably cooperate) with Buyer and with its counsel, accountants and representatives in the conduct of their due diligence investigation of the Company, the Subsidiaries and their respective businesses, assets and affairs, and, in connection with such due diligence investigation, to grant Buyer and such representatives, during normal business hours and upon reasonable notice, access to the properties, books and records (including records relating to Company Intellectual Property),

contracts, employees, customers, creditors, landlords, vendors and suppliers of the Company (the "**Due Diligence Investigation**"). The Due Diligence Investigation shall not modify any of the representations, warranties, covenants or agreements of the Company under this Agreement or reduce Buyer's right to pursue any and all remedies available under this Agreement. Notwithstanding the foregoing, the Due Diligence Investigation by Buyer or its representatives shall not be conducted in such a manner as to interfere unreasonably with the business or operations of the Company or its Subsidiaries or otherwise result in any significant interference with the prompt and timely discharge by the employees of the Company or its Subsidiaries of their normal duties. Neither the Company nor any of its Subsidiaries shall be required to provide access to or to disclose information where, in the reasonable good faith judgment of the Company, such access or disclosure is reasonably likely to (i) jeopardize any attorney work product or attorney-client privilege, (ii) contravene applicable law or (iii) breach any contract to which the Company or its Subsidiaries is a party.

4.3. Proxy Statement; Other Required Company Filing; Company Stockholders Meeting.

4.3.1. The Company shall submit this Agreement and the transactions contemplated hereby (including, without limitation, the issuance of the Purchased Shares) to a vote of the Company's stockholders at a duly held meeting of such stockholders for such purpose (the "**Company Stockholders Meeting**").

4.3.2. As reasonably promptly as practicable following the date of this Agreement, the Company shall prepare and cause to be filed with the SEC a proxy statement to be sent to the Company's stockholders relating to the Company Stockholders Meeting (together with any amendments or supplements thereto, the "**Proxy Statement**"). If the Company determines that it is required to file any document other than the Proxy Statement with the SEC in connection with this Agreement and the transactions contemplated hereby pursuant to applicable law (such document, as amended or supplemented, an "**Other Required Company Filing**"), then the Company shall as reasonably promptly as practicable prepare and file such Other Required Company Filing with the SEC. The Company shall use commercially reasonable efforts to cause the Proxy Statement and any Other Required Company Filing to comply as to form and substance in all material respects with the applicable requirements of the 1934 Act and the rules of the SEC and the Principal Market. Buyer shall furnish all information concerning Buyer and its affiliates to the Company, and provide such other assistance, as may be reasonably requested in connection with the preparation, filing and distribution of the Proxy Statement and any Other Required Company Filing. The Company shall reasonably promptly notify Buyer upon the receipt of any comments from the SEC or any request from the SEC for amendments or supplements to the Proxy Statement or any Other Required Company Filing and shall provide Buyer with copies of all non-routine correspondence between the Company and its representatives, on the one hand, and the SEC, on the other hand, related to the Proxy Statement and any Other Required Company Filing. The Company shall use commercially reasonable efforts to respond as reasonably promptly as practicable to any comments from the SEC with respect to the Proxy Statement and any Other Required Company Filing, and Buyer will cooperate in connection therewith. Notwithstanding the foregoing, prior to filing or mailing the Proxy Statement (including any amendment or supplement thereto) or any Other Required Company Filing or responding to any comments of the SEC with respect thereto, the Company

(i) shall provide Buyer a reasonable opportunity to review and comment on the Proxy Statement or Other Required Company Filing or response (including the proposed final version of the Proxy Statement or Other Required Company Filing or response) and (ii) shall consider in good faith all comments reasonably proposed by Buyer.

4.3.3. If, prior to the Closing Date, any change occurs with respect to information supplied by Buyer for inclusion in the Proxy Statement or Other Required Company Filing which is required to be described in an amendment of, or a supplement to, the Proxy Statement or Other Required Company Filing, Buyer shall promptly notify the Company of such event, and Buyer and the Company shall cooperate in the prompt filing with the SEC of any necessary amendment or supplement to the Proxy Statement or Other Required Company Filing, and as required by law, in disseminating the information contained in such amendment or supplement to the Company's stockholders. Nothing in this Section 4.3.3 shall limit the obligations of any party under Section 4.3.1.

4.3.4. If prior to the Closing Date any event occurs with respect to the Company or any Subsidiary, or any change occurs with respect to other information supplied by the Company for inclusion in the Proxy Statement or Other Required Company Filing, which is required to be described in an amendment of, or a supplement to, the Proxy Statement or Other Required Company Filing, the Company shall promptly notify Buyer of such event, and the Company shall as reasonably promptly as practicable file any necessary amendment or supplement to the Proxy Statement or Other Required Company Filing with the SEC and, as required by law, disseminate the information contained in such amendment or supplement to the Company's stockholders. Nothing in this Section 4.3.4 shall limit the obligations of any party under Section 4.3.1.

4.3.5. The Company shall, as reasonably promptly as practicable after the SEC Clearance Date, duly call, establish a record date for, give notice of, convene and hold the Company Stockholders Meeting, and use commercially reasonable efforts to seek the Company Stockholder Approval by June 15, 2018. Without the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), the foregoing shall be the only matters (other than procedural matters) which the Company shall propose to be acted on by the holders of Company Common Stock at the Company Stockholders Meeting. In connection with the foregoing, the Company shall (i) file the definitive Proxy Statement with the SEC and cause the definitive Proxy Statement to be mailed to the Company's stockholders as of the record date established for the Company Stockholders Meeting as promptly as practicable (and in any event within seven (7) Business Days) after the date on which the SEC confirms that it has no further comments on the Proxy Statement (the "SEC Clearance Date"); provided, that if the SEC has failed to affirmatively notify the Company within ten (10) calendar days after the initial filing of the Proxy Statement with the SEC that it will or will not be reviewing the Proxy Statement, then such date shall be the "SEC Clearance Date"; and (ii) except to the extent the Board (or a committee thereof) has made a Change of Recommendation, use commercially reasonable efforts to solicit the Company Stockholder Approval and, through the Board, recommend to its stockholders that they give the Company Stockholder Approval (the "Board Recommendation") and include the Board Recommendation in the Proxy Statement. Notwithstanding a Change of Recommendation by either the Board (or a committee thereof), the Company shall be obligated to duly call, establish a record date for, give notice of, convene and

hold the Company Stockholders Meeting for the purpose of seeking the Company Stockholder Approval by June 15, 2018. Notwithstanding anything to the contrary in this Agreement, the Company may postpone or adjourn the Company Stockholders Meeting only (i) with the consent of Buyer, (ii) for the absence of a quorum, (iii) to allow reasonable additional time for any supplemental or amended disclosure which the Company has determined in good faith is necessary under applicable law and for such supplemental or amended disclosure to be disseminated and reviewed by the Company's stockholders prior to the Company Stockholders Meeting or following an order or request from the SEC, or (iv) to allow additional solicitation of votes in order to obtain the Company Stockholder Approval. Once the Company has established the record date for the Company Stockholders Meeting, the Company shall not change such record date or establish a different record date without the prior written consent of Buyer (which consent shall not be unreasonably withheld, conditioned or delayed), unless required to do so by applicable law. In the event that the date of the Company Stockholders Meeting as originally called is for any reason adjourned, postponed or otherwise delayed, the Company agrees that unless Buyer shall have otherwise approved in writing, it shall use commercially reasonable efforts to implement such adjournment, postponement or other delay in such a way that the Company does not establish a new record date for the Company Stockholders Meeting, as so adjourned, postponed or delayed, except as required by applicable law.

4.4. Form D and Blue Sky. The Company shall file a Form D with respect to the Purchased Shares as required under Regulation D and to provide a copy thereof to Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to, qualify the Purchased Shares for sale to Buyer at the Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to Buyer on or prior to the Closing Date. Without limiting any other obligation of the Company under this Agreement, the Company shall timely make all filings and reports relating to the offer and sale of the Purchased Shares required under all applicable securities laws (including, without limitation, all applicable federal securities laws and all applicable "Blue Sky" laws), and the Company shall comply with all applicable federal, foreign, state and local laws, statutes, rules, regulations and the like relating to the offering and sale of the Purchased Shares to Buyer.

4.5. Reporting Status. Until the date on which Buyer shall have sold all of the Registrable Securities (the "**Reporting Period**"), the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act, and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would no longer require or otherwise permit such termination.

4.6. Use of Proceeds. The Company shall use the proceeds from the sale of the Purchased Shares for general corporate purposes, for acquisition of growth technologies in accordance with plans approved by the Board, and for working capital.

4.7. Financial Information. The Company agrees to send the following to Buyer during the Reporting Period unless the following are filed with the SEC through the EDGAR system and are available to the public through the EDGAR system, (i) within one (1) Business Day after the filing thereof with the SEC, a copy of its Annual Reports on Form 10-K and

Quarterly Reports on Form 10-Q, any interim reports or any consolidated balance sheets, income statements, stockholders' equity statements and/or cash flow statements for any period other than annual, any current reports on Form 8-K and any Registration Statements or amendments filed pursuant to the 1933 Act, (ii) on the same day as the release thereof, facsimile copies of all press releases issued by the Company (*provided* that such press releases will be deemed delivered if posted on the Company's website within one (1) Business Day of release thereof) and (iii) copies of any notices and other information made available or given to the stockholders of the Company generally, contemporaneously with the making available or giving thereof to the stockholders.

4.8. Listing. The Company shall maintain the Common Stock's listing on the Nasdaq Capital Market (the "**Eligible Market**"). Except as set forth in the NASDAQ Letters, the Company shall not take any action which could be reasonably expected to result in the delisting or suspension of the Common Stock on an Eligible Market. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4.8.

4.9. Disclosure of Transactions and Other Material Information. The Company shall, on or before 8:30 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, (i) issue a press release (the "**Press Release"**) reasonably acceptable to Buyer disclosing all the material terms of the transactions contemplated by the Transaction Documents and (ii) file a Current Report on Form 8-K describing all the material terms of the transactions contemplated by the Transaction Documents in the form required by the 1934 Act and attaching all the material Transaction Documents (including all attachments, the "**8-K Filing**"). Subject to the foregoing, unless and until a Change of Recommendation has occurred, neither the Company nor Buyer shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, the Company shall be entitled, without the prior approval of Buyer, to make any press release or other public disclosure with respect to such transactions (A) in substantial conformity with the 8-K Filing and contemporaneously therewith and (B) as is required by applicable law and regulations (provided that in the case of clause (A) Buyer shall be consulted by the Company in connection with any such press release or other public disclosure prior to its release).

4.10. Conduct of Business. The business of the Company shall not be conducted in violation of any law, ordinance or regulation of any governmental entity, except where such violations would not result, either individually or in the aggregate, in a Material Adverse Effect. Between the date of this Agreement and the Closing, and except (i) for actions expressly contemplated by this Agreement to be taken by the Company prior to Closing, (ii) as otherwise required by applicable law, (iii) as set forth on Section 4.10 of the Company Disclosure Schedule, or (iv) with the consent of Buyer, which consent shall not be unreasonably withheld or delayed, the Company shall (and shall cause the Subsidiaries to):

4.10.1. conduct its business, operations, activities and practices in the usual and ordinary course, consistent with past practices;

4.10.2. except as set forth on Section 4.10 of the Company Disclosure Schedule, not grant or otherwise make, or agree to grant or otherwise make, any increase in the compensation payable or to become payable by it to any employees of the Company or any Subsidiary;

4.10.3. not sell or dispose of any of its assets used or useful in the operation of its business (other than in the ordinary course of business consistent with past practice);

4.10.4. not enter into any agreement, other than in the ordinary course of business;

4.10.5. not cancel, waive or modify any claims or rights owned by, or running in favor of, it, other than in the ordinary course of business;

4.10.6. not permit the creation or attachment of any lien, encumbrance or charge on any of its assets;

4.10.7. not incur any Indebtedness, or waive any rights of substantial value, except in the ordinary course consistent with past practice or pursuant to any existing agreements as in effect on the date hereof (it being acknowledged and agreed that, without limiting the generality of the foregoing exceptions, any short-term borrowings pursuant to such existing agreements to fund working capital requirements shall be expressly permitted);

4.10.8. except as set forth on Section 4.10 of the Company Disclosure Schedule, not increase the salary or other compensation payable to any of its executive officers or directors or the declaration, payment, commitment or obligation of any kind for the payment by the Company of a bonus or other additional salary or compensation to any such person, other than as consistent with past practice of the Company or any Subsidiary; and

4.10.9. not declare or pay any dividends or distributions of its cash or property to its shareholders.

4.11. Buyer Protective Provisions. So long as Buyer holds no less than 20% of the Company's issued and outstanding shares of Common Stock, the Company shall not do any of the following without the prior approval of Uri Geiger, in his capacity as Company director, and in the event Uri Geiger is not then serving in the capacity of a Company director, then such other Company director designated from time to time by Uri Geiger in writing to the Company's CEO:

4.11.1. Dissolve the Company;

4.11.2. Engage in any (i) merger, consolidation, transfer or conversion involving the Company or any Subsidiary, (ii) exclusive license, mortgage, pledge, lease, sale or any other disposition, in each case affecting substantially all of the assets (as such term is used in Section 271 of the Delaware General Corporation Law) of the Company or any Subsidiary, (iii) transaction which results in the issuance or transfer of stock constituting in the aggregate a majority of the equity of the Company or any Subsidiary, or (iv) other similar business combination which under Delaware General Corporation Law is subject to stockholder vote, in each case in a single transaction or a series of related transactions;

4.11.3. Change the size of the whole the Board;

4.11.4. Incur any new Indebtedness (in a single transaction or a series of related transactions) in excess of $1,000,000;

4.11.5. Amend the provisions of the Certificate of Incorporation related to the capital stock of the Company (including, without limitation, changes to authorized number, or a reclassification, of the capital stock of the Company).

4.12. Additional Offering. In the event the Company at any time proposes to issue additional shares of its capital stock (or rights convertible or exercisable into shares of capital stock), other than (i) stock and options issued to employees or directors of, or consultants or advisors to, the Company or any of the Subsidiaries pursuant to a plan approved by the Board, or (ii) registered public offerings, Buyer shall have a preemptive right to participate in any such issuance, allowing Buyer to purchase such shares or rights, on terms and conditions no less favorable to Buyer as those offered to any other offeree in such issuance, up to a percentage of the total number of shares or rights offered by the Company in such issuance equal to Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately prior to such issuance.

4.13. No Solicitation.

4.13.1. Upon the execution of this Agreement, the Company shall cease any solicitation, encouragement, discussions or negotiations with any parties (other than the Buyer) that may be ongoing with respect to any Acquisition Proposal. The Company agrees that it shall not, directly or indirectly, solicit, initiate or knowingly facilitate or knowingly encourage (including by way of furnishing information), or knowingly take any other action designed or reasonably likely to facilitate or encourage, any inquiry with respect to, or the making, submission or announcement of, any proposal that constitutes, or may reasonably be expected to lead to, any Acquisition Proposal. Except as specifically permitted in this Section 4.13, the Company agrees that it shall not, directly or indirectly (i) participate in any discussion or negotiations (including by way of furnishing information) regarding an Acquisition Proposal with, or furnish any non-public information or access to its properties, books, records or personnel to, any Person that has made or, to the Company's Knowledge, is considering making an Acquisition Proposal, (ii) make a Change of Recommendation, (iii) enter into any agreement providing for any Acquisition Proposal (except for confidentiality agreements permitted under Section 4.13.3) or (iv) resolve, propose or agree to any of the foregoing.

4.13.2. Notwithstanding the provisions of Section 4.13.1, if the Company receives an unsolicited Acquisition Proposal that the Board (or a committee thereof) determines in good faith, after consultation with its outside legal counsel and financial advisor, could reasonably be expected to lead to or result in a Superior Proposal and, after consultation with its outside legal counsel, the Board (or a committee thereof) determines that the failure to take action would reasonably be expected to be inconsistent with the Board's fiduciary duties under applicable law to its stockholders, then the Company may take the following actions: (x) furnish non-public information to the third party making such Acquisition Proposal (if, and only if, prior to so furnishing such information, the Company receives from, or has in effect with, the third party an executed confidentiality agreement) and (y) engage in discussions or negotiations with such third party with respect to such Acquisition Proposal.

4.13.3. From the date of this Agreement and until the earlier to occur of the termination of this Agreement in accordance with Section 8.1 and the Closing Date, the

Company shall promptly (and in any event no later than forty eight (48) hours) after receipt notify Buyer in writing if the Company receives (i) any Acquisition Proposal or (ii) any offer, inquiry or request for discussions or negotiations regarding any Acquisition Proposal. Such notice must include (A) the identity of the Person making such Acquisition Proposal, offer, inquiry or request; and (B) a copy of such Acquisition Proposal or any such offer, inquiry or request submitted in writing or, in the case of any such offer, inquiry or request not made in writing, a summary of the material terms and conditions thereof. Thereafter, the Company must keep Buyer reasonably informed, on a prompt basis, of the status and terms of any such offer, inquiry, request or Acquisition Proposal (including any updates or amendments thereto, and deliver to Buyer copies thereof) and the status of any such discussions or negotiations with respect thereto.

4.13.4. Other than in accordance with this Section 4.13.4 or Section 4.13.5, the Board (or a committee thereof) shall not (each of the following, a "**Change of Recommendation**") (i) change, qualify, withdraw or modify, or propose publicly to change, qualify, withdraw or modify, in a manner adverse to Buyer, the Board Recommendation, (ii) approve, adopt or recommend, or propose publicly to approve, adopt or recommend, any Acquisition Proposal or (iii) enter into any letter of intent, merger, acquisition or similar agreement with respect to any Acquisition Proposal other than any confidentiality agreement to be entered into by the Company as contemplated by Section 4.13.2 (a "**Company Acquisition Agreement**"); provided, however, that, in response to the receipt of an Acquisition Proposal that the Board (or a committee thereof) determines in good faith, after consultation with its outside legal counsel and financial advisor, constitutes a Superior Proposal, the Board (or a committee thereof) may, at any time prior to a vote of the Company's stockholders at the Company Stockholders Meeting, make a Change of Recommendation; provided, however, that the Board (or a committee thereof) may not take such action unless: (a) the Board (or a committee thereof) has concluded in good faith, after consultation with its outside legal counsel, that such action is required in order for the directors to comply with their fiduciary duties under applicable law; (b) the Company notifies Buyer in writing at least three (3) Business Days in advance, that the Board (or a committee thereof) intends to effect a Change of Recommendation in connection with a Superior Proposal, which notice shall specify the identity of the Person who made such Superior Proposal and attach the most current version of such Company Acquisition Agreement; (c) after providing such notice and prior to making such Change of Recommendation in connection with a Superior Proposal, if requested by Buyer, the Company shall negotiate in good faith with Buyer during such three (3) Business Day period to make such revisions to the terms of this Agreement so that effecting such Change of Recommendation would no longer be required in order for the directors to comply with their fiduciary duties under applicable law; and (d) the Board (or a committee thereof) shall have considered in good faith any changes to this Agreement offered in writing by Buyer in a manner that would form a binding contract if accepted by the Company and shall have determined in good faith, after consultation with its outside legal counsel and financial advisor, that the Superior Proposal would continue to constitute a Superior Proposal if such changes offered in writing by the Buyer were to be given effect; provided, however, that if the Company so provides the notice contemplated in clause (b) above with respect to any Superior Proposal and so negotiates with Buyer to make revisions to the terms of this Agreement so contemplated in clause (c) above, the Company shall have no further obligations to Buyer under this Section 4.13 with respect to any other Superior Proposal.

4.13.5. Nothing in this Agreement shall prohibit or restrict the Board (or a committee thereof) from making a Change of Recommendation to the extent that it determines in good faith, after consultation with its outside legal counsel, that effecting a Change of Recommendation would be required in order for the directors to comply with their fiduciary duties under applicable law.

4.13.6. Nothing contained in this Agreement shall prohibit the Company or the Board (or a committee thereof) from disclosing to the Company's stockholders a position contemplated by Rules 14d-9 and 14e-2(a) promulgated under the 1934 Act; provided, however, that neither the Company nor the Board shall be permitted to recommend an Acquisition Proposal which is not a Superior Proposal.

4.13.7. For purposes of this Agreement, "**Acquisition Proposal**" means any unsolicited bona fide written proposal made by a Person to acquire beneficial ownership of 50% or more of the assets of, or 50% or more of the Common Stock of, the Company pursuant to a merger, consolidation or other business combination, sale of shares of stock, sale of assets, tender or exchange offer or similar transaction involving the Company. For purposes of this Agreement, "**Superior Proposal**" means an Acquisition Proposal, which the Board, acting in its good faith judgment (after consultation with its outside legal counsel and financial advisor), determines is superior to the transactions contemplated by this Agreement taking into account such factors and matters deemed relevant in good faith by the Board (or any committee thereof), including the (a) identity of the Person making the Acquisition Proposal; (b) likelihood of consummation in accordance with the terms of such Acquisition Proposal; and (c) legal, financial (including the financing terms), regulatory, timing and other aspects of such Acquisition Proposal).

4.14. Board Composition; Chairman of the Board; Options.

4.14.1. Following Closing, the Board shall consist of seven (7) directors. At the Closing, there shall be at least five (5) vacancies on the Board, one of which shall be filled, effective at the Closing, by the Company's then CEO *ex officio*, and Buyer shall have the right to fill all the remaining vacancies effective as of the Closing. (Buyer anticipates that LuAnn Via and Sam Navarro will not resign and will remain directors following Closing). Following Closing, one director nominated by Buyer (the "**Principal Accelmed Director**"), initially Uri Geiger, will be the Chairman of the Board, and two (2) directors nominated by Buyer shall be industry experts qualifying as "independent" for Nasdaq purposes. Unless otherwise agreed by the Company, the election of Buyer's Board nominees to fill vacancies effective at the Closing will be submitted for approval by the Company's stockholders at the Company Stockholders Meeting.

4.14.2. All members of the Board who are not employees of the Company shall be entitled to receive compensation for their services as members of the Board in amounts to be determined from time to time by the Board consistent with compensation for non-employee directors of similarly situated publicly traded companies.

4.15. Bylaws and Certificate of Incorporation.

4.15.1. At or prior to Closing, the Bylaws shall be amended to provide that, absent approval by a vote of a majority of the Non-Affiliated Stock, any transaction between the Company or any of its subsidiaries on the one hand, and Buyer or any Buyer Affiliate on the other hand (a "**Related Person Transaction**"), shall require the approval of an independent committee of the Board, which committee shall not include any Company employee, or any member of the Board appointed, designated or nominated either by Buyer or by any Buyer Affiliate. The term "**Non-Affiliated Stock**" means the voting stock of the Company not held by Buyer or its affiliates, including investees in Buyer or any of their respective affiliates (collectively, "**Buyer Affiliates**"). On any stockholder vote to approve a Related Person Transaction, Company shares owned beneficially by Buyer or any Buyer Affiliates shall be deemed to have been voted "for", "against" or "abstain" in the same proportion as the vote on such matter cast by the Non-Affiliated Stock. Provided, that the term Related Person Transaction shall not include compensation and equity award of Company office holders by reason of service in such capacity as approved by the Board. This provision shall not be amended, modified or terminated without a stockholder vote of a majority of the voting shares not held by Buyer or Buyer Affiliates.

4.15.2. After Closing, upon demand of Buyer, the Company shall take all corporate actions (including taking commercially reasonable efforts to obtain stockholder approval) necessary to further amend and restate the Bylaws to the effect of (i) removing the bylaws provision prohibiting shareholder act by written consent, (ii) removing board protective provisions and (iii) such other amendments which may be advisable in order to implement the terms hereof, and such additional changes as the Company's Board of Directors may approve.

4.15.3. After Closing, upon demand of Buyer, the Company shall take all corporate actions (including taking commercially reasonable efforts to obtain stockholder approval) necessary to amend and restate the Certificate of Incorporation to the effect of (i) deleting the prohibition on removing directors not for cause, (ii) providing for preemptive rights to Buyer, the Major Stockholders and the Additional Investors, (iii) implement customary protective provisions for Buyer, (iv) remove board protective provisions, including blank check preferred, and (v) delete designation of the series of preferred stock that have no shares outstanding, as well as such additional amendments as the Company's Board of Directors may approve.

4.16. D&O Insurance. The Company shall maintain for a period ending six years after the Closing, and fully pay the premium for, directors' and officers' liability insurance policies covering current and former officers and directors of the Company in respect of acts or omissions occurring at or prior to Closing (including for acts or omissions occurring in connection with the approval and execution by the Company of the letter of intent proposing the transactions contemplated hereby, this Agreement and the consummation of the Closing), and containing terms that are no less favorable to any such officer or director than those of the officers' and directors' liability insurance policies in effect on the date of this Agreement.

4.17. Rafaeli. Effective upon the execution of this Agreement, Rafaeli shall be deemed to have been appointed a non-voting observer to the Board (with a right to attend all Board meetings and to receive all Board communications related to Board meetings. Provided, that

4.17.1. Rafaeli's appointment as non-voting observer to the Board shall terminate at the earlier of the Closing or termination of this Agreement.

4.18. Auditors. Within ten (10) business days following Closing, the Company shall retain as its outside auditors either a Big 4 accounting firm, or another national accounting firm approved by Buyer.

5. **REGISTER; TRANSFER AGENT INSTRUCTIONS; LEGEND.**

5.1. Legends. Buyer understands that the Purchased Shares have been issued pursuant to an exemption from registration or qualification under the 1933 Act and applicable state securities laws, and except as set forth below, the Purchased Shares shall bear any legend as required by the "Blue Sky" laws of any state and a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such stock certificates):

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

5.2. Removal of Legends. Certificates evidencing Purchased Shares shall not be required to contain the legend set forth in Section 5.1 above or any other legend (i) while a Registration Statement covering the resale of such Purchased Shares is effective under the 1933 Act, (ii) following any sale of such Purchased Shares pursuant to Rule 144 (assuming the transferor is not an affiliate of the Company), (iii) if such Purchased Shares are eligible to be sold, assigned or transferred under Rule 144 (provided that Buyer provides the Company with reasonable assurances that such Purchased Shares are eligible for sale, assignment or transfer under Rule 144 which shall not include an opinion of counsel), (iv) in connection with a sale, assignment or other transfer (other than under Rule 144), provided that Buyer provides the Company with an opinion of counsel to Buyer from reputable counsel to the effect that such sale, assignment or transfer of the Purchased Shares may be made without registration under the applicable requirements of the 1933 Act or (v) if such legend is not required under applicable requirements of the 1933 Act (including, without limitation, controlling judicial interpretations and pronouncements issued by the SEC).

6. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

6.1. The obligation of the Company hereunder to issue and sell the Purchased Shares at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by providing Buyer with prior written notice thereof:

6.1.1. Buyer shall have executed each of the other Transaction Documents to which it is a party and delivered the same to the Company.

6.1.2. Buyer shall have delivered to the Company the Purchase Price at the Closing by wire transfer of immediately available funds pursuant to the wire instructions provided by the Company.

6.1.3. The representations and warranties of Buyer shall be true and correct in all material respects as of the date when made and as of the Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date), and Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by Buyer at or prior to the Closing Date, and Buyer shall have delivered a certificate in form reasonably acceptable to the Company and signed by an executive officer of Buyer to the effect that this condition has been satisfied.

6.1.4. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin or prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

6.1.5. The Company Stockholder Approval shall have been obtained.

6.1.6. Buyer shall have delivered to the Company such other documents, instruments or certificates relating to the transactions contemplated by this Agreement reasonably required to consummate the transactions contemplated hereby.

7. CONDITIONS TO BUYER'S OBLIGATION TO PURCHASE.

7.1. The obligation of Buyer hereunder to purchase the Purchased Shares at the Closing is subject to the satisfaction, at or before Closing Date, of each of the following conditions, provided that these conditions are for Buyer's sole benefit and may be waived by Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

7.1.1. The Company shall have duly executed and delivered to Buyer each of the Transaction Documents to which it is a party.

7.1.2. Each of Sabby Healthcare Master Fund, Ltd. (and its affiliates) and Broadfin Healthcare Master Fund, Ltd. (and its affiliates) (together the "**Major Stockholders**") shall have delivered to the Company, and not attempted to revoke, their respective undertakings in the form attached as Schedule 7.1.2[1] hereto (the "**Stockholders Undertakings**").

7.1.3. Each of Dolev Rafaeli ("**Rafaeli**") and Gohan Investments Ltd. (jointly with Rafaeli, the "**Additional Investors**") shall have delivered to Buyer and the Company undertakings substantively similar to the Stockholders Undertakings.

7.1.4. Buyer shall have received evidence that each of the Additional Investors and each of the Major Stockholders has purchased and paid in full, between the date hereof and Closing, Common Stock for an aggregate purchase price of one million dollars ($1,000,000), for an aggregate purchase price of four million dollars ($4,000,000), at a price per share of no less than $1.08, pursuant to one or more subscription agreements substantially in the form attached hereto as Schedule 7.1.4.

7.1.5. The Company shall have duly executed and delivered to Buyer the Registration Rights Agreement in the form attached hereto as Schedule 7.1.5 (the "**Registration Rights Agreement**").

7.1.6. The Company and Rafaeli shall have entered into an employment agreement appointing Rafaeli as CEO of the Company, in the form attached hereto as Schedule 7.1.16 hereto, and such agreement shall remain in full force and effect as of immediately following Closing effective as of Closing.

7.1.7. The Board shall have approved this Agreement, the purchase by Buyer of the Purchased Shares, and the other matters contemplated by the Transaction Documents.

7.1.8. The Company shall have obtained the Company Stockholder Approval.

7.1.9. The Company shall have delivered to Buyer a certificate evidencing the good standing of the Company and each Subsidiary in the State of Delaware, issued by the Delaware Secretary of State as of a date within ten (10) days of the Closing Date.

7.1.10. The Company shall have delivered to Buyer a certificate evidencing the Company's and each Subsidiary's foreign qualification and good standing issued by the Secretary of State (or comparable office) of each jurisdiction in which the Company and each such Subsidiary conducts business and is required to so qualify, as of a date within ten (10) days of the Closing.

7.1.11. Each and every representation and warranty of the Company shall be true and correct in all material respects as of the date when made and as of the Closing Date as though originally made at that time (except for representations and warranties that speak as of

[1] Leakout and Voting Undertakings, and delivery in Escrow of conversion of preferred up to 9.99% common stock

a specific date, which shall be so true and correct as of such date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required to be performed, satisfied or complied with by the Company at or prior to the Closing Date, including, without limitation the issuance of the Purchased Shares at the Closing as required by the Transaction Documents, and the Company shall have delivered a certificate in form reasonably acceptable to Buyer, signed by an executive officer of the Company to the effect that this condition has been satisfied.

7.1.12. The Company shall have delivered to Buyer a letter from the Company's transfer agent certifying the number of shares of the Company's capital stock, stating the outstanding shares of each class and series on the Closing Date immediately prior to the Closing.

7.1.13. The Common Stock (i) shall be designated for quotation on the Principal Market and (ii) shall not have been suspended, as of the Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of the Closing Date, either (A) in writing by the SEC or the Principal Market or (B) by falling below the minimum maintenance requirements of the Principal Market; (b) since the date of this Agreement, the Company shall have timely complied (without regard to any extensions) with all filing and reporting obligations under the federal securities laws; and (c) the Company is in compliance with all requirements in order to maintain quotation on the Principal Market (including reporting requirements under the 1934 Act).

7.1.14. Buyer shall have received evidence reasonably acceptable to Buyer to the effect, and the Company shall be deemed to have represented and warranted to the Company, that immediately after giving effect to the Closing (including the issuance of shares of Common Stock to the Additional Investors and to the Major Stockholders as contemplated hereon), Buyer shall own no less than (i) [2]58.3% of the issued and outstanding voting stock of the Company, (ii) no less than 35.9% of the Company's issued and outstanding shares of capital stock (assuming conversion of all Preferred Stock to Common Stock at Closing)[3], and (iii) no less than 32.7% of all the capital stock of the Company on an as converted, fully diluted basis (including shares reserved and unissued for options and warrants and assuming full conversion of all outstanding preferred stock to Common Stock at Closing).

7.1.15. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin, prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

7.1.16. Since the date of execution of this Agreement, no events or series of related events shall have accrued resulting in a Material Adverse Effect, and the Company shall

[2] This number assumes each of Major Stockholders holds up to 9.99% of Common Stock

[3] Without giving effect to exercise of outstanding options and warrants

not have filed nor be subject to any bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors instituted by or against the Company.

7.1.17. The Company shall have all certificates, marks and other registrations necessary under all applicable laws to sell any and all products of the Company in the United States and any other countries in which the Company's products are being sold as of the date hereof, the absence of which, either individually or in the aggregate, would be reasonably likely to have a Material Adverse Effect.

7.1.18. The Company shall have delivered to Buyer evidence that the landlord of each Company Real Property has consented to the change in control over the Company contemplated by this Agreement, and that all other consents to the transactions contemplated by this Agreement identified in Section 2.4 have been obtained.

7.1.19. The Company shall have delivered to Buyer such other documents, instruments or certificates relating to the transactions contemplated by this Agreement reasonably required to consummate the transactions contemplated hereby.

8. TERMINATION.

8.1. Termination. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing:

8.1.1. By either Buyer or the Company if the Closing has not occurred by June 30, 2018 (the "**Last Closing Date**") for reason other than a breach of this Agreement by the terminating party;

8.1.2. By the mutual written consent of Buyer and the Company;

8.1.3. By Buyer in the event of any breach in any material respect by the Company of any of its representations, warranties, covenants or agreements contained herein if either (i) such breach cannot be cured, or (ii) if it can be cured, such breach has not been cured prior to 5:00 p.m. on the date immediately preceding the Last Closing Date;

8.1.4. By the Company in the event of any breach by Buyer of any representation, warranty, covenant or agreement contained herein if either (i) such breach cannot be cured or (ii) if it can be cured, such breach has not been cured prior to 5:00 p.m. on the date immediately preceding the Last Closing Date;

8.1.5. By Buyer if the Company Stockholder Approval has not been obtained by the Last Closing Date;

8.1.6. By Buyer or the Company if any court of competent jurisdiction in the United States or other governmental entity will have issued a final and non-appealable order, decree or ruling permanently restraining, rejoining or otherwise prohibiting the consummation of any material transaction contemplated herein; or

8.1.7. By the Buyer if the Board (or a committee thereof) shall have made a Change of Recommendation, unless prior to such termination the Company Stockholder Approval has been obtained.

8.2. Consequences of Termination.

8.2.1. Except as otherwise expressly set forth in this Agreement, if this Agreement is terminated pursuant to Section 8.1 all parties' respective obligations hereunder shall then terminate, except that each party shall retain the right to pursue any and all remedies available hereunder or otherwise against any other party by reason of such other party's breach of any of its representations, warranties or covenants herein prior to such termination, which right shall survive the termination of this Agreement and shall remain in full force and effect.

8.2.2. If this Agreement is terminated pursuant to Section 8.1.5 (without a Change of Recommendation having occurred), then the Company shall pay Buyer, by wire transfer of immediately available funds within two (2) Business Days after such termination, a fee (the "**Termination Fee**") in the amount equal to all of Buyer's Fees and Expenses (without a limit).

8.2.3. If this Agreement is terminated by the Buyer pursuant to Section 8.1.7, then the Company shall pay Buyer, by wire transfer of immediately available funds within two (2) Business Days after such termination, a fee (the "**Breakup Fee**") in the amount equal to the Termination Fee plus six hundred thousand dollars ($600,000).

8.2.4. Subject to the payment of the Termination fee and the Breakup Fee (if applicable), the Company shall not be required to pay the Buyer's Fees and Expenses pursuant to Section 9.12, provided, that, the payment of the Termination Fee and the Breakup Fee (if applicable) shall not in any way affect Buyer's right to seek damages for any breach by the Company of this Agreement occurring prior to such termination.

9. MISCELLANEOUS.

9.1. Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement and the other Transaction Documents shall be governed by the internal laws of the State of Delaware, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Delaware or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of Delaware. Each party hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of Delaware, for the adjudication of any dispute hereunder or under any of the other Transaction Documents or in connection herewith or therewith or with any transaction contemplated hereby or thereby or discussed herein or therein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such

service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

9.2. Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

9.3. Headings; Gender. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

9.4. Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

9.5. Entire Agreement; Amendments. This Agreement, the other Transaction Documents and the schedules and exhibits expressly attached hereto and thereto supersede all other prior oral or written agreements between Buyer, the Company, its affiliates and Persons acting on its behalf solely with respect to the matters contained herein and therein, and this Agreement, the other Transaction Documents, and the schedules and exhibits expressly attached hereto and thereto contain the entire understanding of the parties solely with respect to the matters covered herein and therein. For clarification purposes, the Recitals are part of this Agreement. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and Buyer. No waiver shall be effective unless it is in writing

and signed by an authorized representative of the waiving party. The Company has not, directly or indirectly, made any agreements with Buyer relating to the terms or conditions of the transactions contemplated by the Transaction Documents except as set forth in the Transaction Documents. Without limiting the foregoing, the Company confirms that, except as set forth in this Agreement, Buyer has not made any commitment or promise or has any other obligation to provide any financing to the Company or otherwise. As a material inducement for Buyer to enter into this Agreement, the Company expressly acknowledges and agrees that (i) no due diligence or other investigation or inquiry conducted by Buyer, any of its advisors or any of its representatives, or any information provided by or on behalf of the Company to Buyer shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document, provided, that, Buyer shall not be entitled to seek damages for a breach of the Company's representations and warranties contained in this Agreement or any other Transaction Document to the extent such damages resulted from a breach of which Buyer had knowledge of prior to the date hereof and (ii) unless a provision of this Agreement or any other Transaction Document is expressly preceded by the phrase "except as disclosed in the SEC Documents," nothing contained in any of the SEC Documents shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document.

9.6. Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, if delivered personally; (ii) when sent, if sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); (iii) when sent, if sent by e-mail (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's e-mail server that such e-mail could not be delivered to such recipient) and (iv) if sent by overnight courier service, one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses, facsimile numbers and e-mail addresses for such communications shall be:

If to the Company:

STRATA Skin Sciences, Inc.
100 Lakeside Drive, Suite 100
Horsham, PA 19044
Telephone: 215.619.3200
Facsimile:
Attention: Chairperson of the Board

With a copy (for informational purposes only) to:

Duane Morris LLP
30 South 17th Street
Philadelphia, PA 19103-4196
Email: JWKauffman@duanemorris.com

Telephone: 215.979.1227
Facsimile: 215.689.2724
Attention: John W. Kauffman, Esq.

If to Buyer, to its address, facsimile number or e-mail address set forth below:

AGP SPV I, L.P.
c/o Accelmed Growth Parties, L.P.
c/o: Accelmed Growth Partners Management Ltd.
Hachoshlim St. 6th Floor
Herzliya Pituach, 46120
E-mail: uri@accelmed.com
Facsimile:
Attention: Uri Geiger, Managing Director

with a copy (for informational purposes only) to:

Pepper Hamilton LLP
1313 North Market Street, Suite 5100
Wilmington, DE 19899-1709
Facsimile: (302) 656-8865
E-mail: straussb@pepperlaw.com
Attention: Benjamin Strauss, Esq.

or to such other address, facsimile number or e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date and recipient facsimile number or (iii) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iv) above, respectively. A copy of the e-mail transmission containing the time, date and recipient e-mail address shall be rebuttable evidence of receipt by e-mail in accordance with clause (iii) above.

9.7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and its successors and assigns, including, as contemplated below, any assignee of any of the Purchased Shares. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Buyer.

9.8. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and its permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

9.9. Survival. The representations, warranties, agreements and covenants shall survive the Closing, except that if a claim is not made in respect of a particular representation or

warranty within two (2) years of the date hereof, such representation or warranty will expire at such time.

9.10. Further Assurances. 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 may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

9.11. Indemnification.

9.11.1. In consideration of Buyer's execution and delivery of the Transaction Documents and acquiring the Purchased Shares thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless Buyer, its affiliates, and their respective stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Indemnitees**") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements, (collectively the "**Losses**") incurred by any Indemnitee as a result of, or arising out of, or relating to, any claim (whether direct or derivative) of a breach of fiduciary duty by the Board (or any committee thereof), or by any director or by any stockholder, in connection with this Agreement and the transactions contemplated herein; provided, however, that the Indemnitees shall not be entitled to seek indemnification under this Section 9.11 until the aggregate amount of all Losses exceed $100,000 in the aggregate, and then the Indemnitees shall only be entitled to indemnification for Losses in excess of such amount; and provided, further, that the aggregate amount of all payments to which the Indemnitees shall be entitled to receive pursuant to this Section 9.11 shall in no event exceed the Purchase Price.

9.11.2. Without limiting the foregoing, in the event the Company incurs Losses arising out of, or related to, any Retained Risk, then Buyer shall be issued additional shares of Common Stock as compensation for such Losses based on the following formula:

[4]AS = (LS*PBS)/1.08
"AS" means the total additional shares to be issued
"LS" means the Losses amount incurred with respect to a Retained Risk
"PBS" means the Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately following Closing, assuming full conversion of all Preferred Stock at Closing.

[4] For illustration purposes only, assuming Losses incurred for a Retained Risk in the amount of $100,000, and Buyer holding 40% of the Company's issued and outstanding shares of capital stock immediately following Closing, assuming full conversion of all Preferred Stock at Closing, Buyer will be issued 37,037 additional shares.

9.11.3. The term "**Retained Risk**" means each of the following:

9.11.3.1. Any Tax or other payment obligation by the Company under Section 280G of the Code by reason of the transactions contemplated herein[5].

9.11.3.2. Sales Tax obligations to the State of New York for periods prior to Closing paid after Closing in excess of $77,000;

9.11.3.3. Any Losses incurred by reason of any matter described in Schedule 2.15 of the Company's Disclosure Schedule[6].

9.11.3.4. Any amounts payable by the Company to any placement agent, financial or investment advisors, or brokers, relating to or arising out of the transactions contemplated by this Agreement, except for payment to (i) H.C. Wainwright & Co., LLC in an amount not to exceed 4% of Purchase Price, and (ii) payment to Fairmount Partners in an amount not to exceed $680,000.

9.11.3.5. Legal fees incurred by the Company through the Closing in connection with the transactions contemplated hereby, whether or not paid by the Company prior to the date hereof, in excess of $400,000.

9.11.3.6. Premiums in excess of $200,000 for tail insurance covering pre-Closing directors and officers of the Company.

9.12. Fees and Expenses. Except as otherwise provided in this Agreement, each party to this Agreement shall bear all fees and expenses incurred by such party in connection with, relating to or arising out of the negotiation, preparation, execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein, including financial advisors', attorneys', accountants' and other professional fees and expenses, whether or not the Closing shall have occurred; provided, that the Company shall reimburse Buyer for its legal, consulting, due diligence and administrative costs related to the transactions contemplated herein, including the reasonable legal fees, disbursements and related charges of Buyer's counsel (the "**Buyer's Fees and Expenses**") in an aggregate amount not to exceed four hundred thousand dollars ($400,000), plus an amount equal to the "Excess Company Counsel Fees", at the earliest of (i) the Closing, or (ii) the termination of this Agreement for any reason other than by reason of a breach of this Agreement by Buyer. Without limiting the generality of the foregoing, at Closing Buyer may set-off the Buyer's Fees and Expenses against the Purchase Price. The term "Excess Company Counsel Fees" means the lower of $100,000, and the fees incurred by the Company through the Closing in connection with the transactions contemplated hereby in excess of $300,000.

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[5] For avoidance of doubt, excluding Dolev Rafaeli

[6] Dealing with exceptions to the Sarbanes-Oxley reps

9.13. Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty. Each and every reference to share prices, shares of Common Stock and any other numbers in this Agreement that relate to the Common Stock shall be automatically adjusted for stock dividends, stock splits, stock combinations and other similar transactions that occur with respect to the Common Stock after the date of this Agreement.

9.14. Remedies. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the parties recognize that in the event any party fails to perform, observe, or discharge any or all of its obligations under the Transaction Documents, any remedy at law may prove to be inadequate relief to the other party. The parties agree therefore that either party shall be entitled to seek specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. Without limiting the generality of the foregoing, either party shall have the right to seek specific performance of this Agreement, including the Closing and the performance by the other party of all other actions contemplated herein.

9.15. Exercise of Right. No delay or omission to exercise any right, power, or remedy accruing to any party upon any breach or default of another party under this Agreement shall impair any such right, power, or remedy of such party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing or as provided in this Agreement. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[signature pages follow]

IN WITNESS WHEREOF, each of Buyer and the Company has caused its signature page to this Agreement to be duly executed as of the date first written above.

COMPANY:

STRATA SKIN SCIENCES, INC.

By: /s/ LuAnn Via
Name: LuAnn Via
Title: Chairperson

BUYER:

ACCELMED GROWTH PARTNERS, L.P.
By: Accelmed Growth Partners Management Ltd.,
its Manager

By: /s/ Uri Geiger
Name: Uri Geiger
Title: Managing Director

[Signature page to Securities Purchase Agreement]

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EXHIBIT 10.2

SECURITIES PURCHASE AGREEMENT

BY AND BETWEEN

STRATA SKIN SCIENCES, INC.

AND

BROADFIN HEALTHCARE MASTER FUND, LTD.

Dated as of March 30, 2018

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the "**Agreement**"), dated as of March 30, 2018, is entered into by and among (i) STRATA Skin Sciences, Inc., a Delaware corporation (the "**Company**"), and (ii) Broadfin Healthcare Master Fund, Ltd (the "**Buyer**").

RECITALS

A. The Company has outstanding shares of common stock, par value $0.001 per share (the "**Common Stock**"), which shares of Common Stock are currently traded on the Nasdaq Capital Market (the "**Principal Market**").

B. The Company and Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "**1933 Act**"), and Rule 506 of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the 1933 Act.

C. Buyer wishes to purchase, and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, shares of Common Stock of the Company as further specified herein.

D. The Board of Directors of the Company (the "**Board**") has approved this Agreement, the other Transaction Documents, and the transactions contemplated hereby and thereby.

E. The defined terms contained herein are defined in the Index of Defined Terms attached hereto.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Buyer hereby agree as follows:

1. PURCHASE AND SALE OF SECURITIES.

1.1. Purchased Shares. At the Closing, subject to the satisfaction (or waiver) of the conditions set forth in Section 6 and Section 7 below, the Company shall issue and sell to Buyer, and Buyer shall purchase from the Company, an aggregate of 925,926 shares of Common Stock of the Company (the "**Purchased Shares**") for an aggregate purchase price of one million dollars ($1,000,000) (the "**Purchase Price**"), reflecting a price per share of $1.08 (rounded up to nearest number of whole shares).

1.2. Closing. The closing (the "**Closing**") of the purchase of the Purchased Shares by Buyer as contemplated by this Agreement shall occur at the offices of Pepper Hamilton LLP, 1313 North Market Street, Suite 5100, Wilmington, Delaware 19801 or by an exchange of signature pages by fax or email, unless another place or method is agreed to by the Company and

Buyer. The date and time of the Closing (the "**Closing Date**") shall be 10:00 a.m., New York time, on the first (1st) Business Day on which the conditions to the Closing set forth in Section 6 and Section 7 below are satisfied or waived (or such later date as is mutually agreed to by the Company and Buyer). As used herein, "**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to remain closed.

1.3. Payment of Purchase Price; Delivery of Security. On the Closing Date, (i) Buyer shall pay the Purchase Price to the Company for the Purchased Shares by wire transfer of immediately available funds in accordance with the Company's written wire instructions and (ii) the Company shall issue to Buyer the Purchased Shares registered in the name of Buyer, and evidenced by a stock certificate delivered at Closing in the manner set forth in Section 5.1.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to Buyer the matters set forth in this Section 2, as may be qualified by the corresponding section of the disclosure schedule delivered by the Company to Buyer (the "**Company Disclosure Schedule**"). These representations and warranties, and the information set forth in the Company Disclosure Schedule, are current as of the date of this Agreement, except to the extent that a representation, warranty or section of the Company Disclosure Schedule expressly states that such representation or warranty, or information in such section of the Company Disclosure Schedule, is current only as of an earlier date.

2.1. Organization and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company has no subsidiaries other than MTech India LLC and Photomedex India Private Limited (the "**Subsidiaries**"). Except as set forth in Schedule 2.1 of the Company Disclosure Schedule, each of the Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation (or formation, as applicable), and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company and each of the Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect. "**Material Adverse Effect**" means any material adverse effect on (i) the business, properties, assets, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (ii) the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents; provided, however, that any effect, to the extent resulting from any of the following, in and of itself or themselves, shall not constitute, and shall not be taken into account in determining whether there has been or will be, a Material Adverse Effect: (i) changes in general economic, regulatory or political conditions or changes generally affecting the securities or financial markets; (ii) any actions, suits, claims, hearings, arbitrations, investigations or other proceedings relating to or arising out of this Agreement or the transactions contemplated

by this Agreement by or before any governmental entity; (iii) a change in the market price or trading volume of the Common Stock; (iv) changes in general economic conditions or changes affecting the industry in which the Company operates generally (as opposed to Company-specific changes) so long as such changes do not have a disproportionate effect on the Company and its Subsidiaries taken as a whole; and (v) any implementation or adoption after the date hereof by a governmental authority of or changes or prospective changes in, applicable laws or accounting rules, including generally accepted accounting principles or interpretations thereof, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing. The Subsidiaries are wholly owned directly or indirectly by the Company, the shares in the Subsidiaries are free and clear of any encumbrances and no Person other than the Company has any rights convertible or exercisable into equity interests in any of the Subsidiaries or has claimed any encumbrance in respect of the shares in the Subsidiaries. "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof. The Company does not have any equity interest in (or any right convertible or exercisable into equity interest of) any entity other than the Subsidiaries. Neither of the Subsidiaries has any equity interest in (or any right convertible or exercisable into equity interest of) any other entity.

2.2. Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into, and perform its obligations under, this Agreement and the other Transaction Documents to which it is a party, and to issue the Purchased Shares in accordance with the terms hereof and thereof as applicable, subject to the receipt of the affirmative vote of the holders of a majority of the votes cast at the Company Stockholders Meeting (as defined in the Accelmed SPA) (the "**Company Stockholder Approval**"). The execution and delivery by the Company of this Agreement and the other Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, have been duly authorized by the Board and, other than the filing with the SEC of one or more Registration Statements (as defined in the Registration Rights Agreement) in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC and any other filings as may be required by any state securities agencies, no further filing, consent or authorization is required by the Company, the Board or its stockholders or other governing body, other than the Company Stockholder Approval. This Agreement has been, and the other Transaction Documents to which the Company is a party will be, upon delivery at the Closing, duly executed and delivered by the Company, and each constitutes, or when delivered in accordance with the terms hereof will constitute, the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its respective terms, (i) except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies, (ii) except as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. "**Transaction Documents**" means, collectively, this Agreement, the Stockholders Undertakings (as defined in the Accelmed SPA), the Registration Rights Agreement, and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

2.3. Issuance of Purchased Shares. The issuance of the Purchased Shares is (or will be prior to the Closing) duly authorized and, upon issuance in accordance with the terms of the Transaction Documents, will be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof. Subject to the accuracy of the representations and warranties of Buyer in this Agreement, the offer and issuance by the Company of the Purchased Shares is exempt from registration under the 1933 Act.

2.4. No Conflicts. Assuming receipt of the Company Stockholder Approval, the execution, delivery and performance by the Company of the Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, will not (i) result in a violation of the Certificate of Incorporation of the Company, any capital stock of the Company or Bylaws of the Company, (ii) materially conflict with, or constitute a material default (or an event which with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company is a party, or (iii) assuming the accuracy of the representations and warranties of Buyer set forth herein, result in a violation of any law, rule, regulation, order, judgment or decree (including, without limitation, foreign, federal and state securities laws and regulations and the rules and regulations of the Principal Market) applicable to the Company or by which any property or asset of the Company is bound and which will have a Material Adverse Effect.

2.5. Consents. The Company is not required to obtain any consent from, authorization or order of, or make any filing or registration with (other than the filing with the SEC of one or more Registration Statements in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC, obtaining the Company Stockholder Approval, the consents required pursuant to Section **Error! Reference source not found.** of the Disclosure Schedule (all of which shall be obtained by the Company at or prior to Closing), the filings required pursuant to Section 4.8, and any other filings, notices or applications as may be required by any state securities agencies), any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under, or contemplated by, the Transaction Documents, in each case, in accordance with the terms hereof or thereof. Assuming the Company Stockholder Approval is obtained, there is no requirement for the Company to obtain approval of the Principal Market for listing or trading of the "**Registrable Securities**" (as defined in the Registration Rights Agreement) which constitute Common Stock.

2.6. Acknowledgment Regarding Buyer's Purchase of Purchased Shares. The Company acknowledges and agrees that Buyer is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that Buyer is not (i) an officer or director of the Company, (ii) an "affiliate" (as defined in Rule 144) of the Company or (iii) to its Knowledge, a "beneficial owner" of more than 10% of the shares of Common Stock (as defined for purposes of Rule 13d-3 of the Exchange Act of 1934 as amended (the "**1934 Act**")). The Company further acknowledges that Buyer is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by Buyer or any of its representatives or agents in connection with the Transaction

Documents and the transactions contemplated hereby and thereby is merely incidental to Buyer's purchase of the Purchased Shares. The Company further represents to Buyer that the Company's decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation by the Company and its representatives.

2.7. No General Solicitation; Placement Agent's Fees. Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Purchased Shares. The Company shall be responsible for the payment of any placement agent's fees, financial advisory fees, or brokers' commissions (other than for Persons engaged by Buyer or its investment advisor) relating to or arising out of the transactions contemplated hereby. The Company has not engaged any placement agent or other agent in connection with the offer or sale of the Purchased Shares.

2.8. No Integrated Offering. None of the Company or any of its affiliates, nor any Person acting on its behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Purchased Shares under the 1933 Act, whether through integration with prior offerings or otherwise. None of the Company, its affiliates nor any Person acting on its behalf will take any action or steps that would require registration of the issuance of any of the Purchased Shares under the 1933 Act or cause the offering of any of the Purchased Shares to be integrated with other offerings of securities of the Company.

2.9. Application of Takeover Protections; Rights Agreement. The Company and the Board have taken all necessary action in order to render inapplicable any control share acquisition, interested stockholder, business combination, poison pill (including, without limitation, any distribution under a rights agreement) or other similar anti-takeover provision under the laws of any jurisdiction applicable to the Company, the Certificate of Incorporation, Bylaws or other organizational documents, or otherwise, which is or could become applicable to Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Purchased Shares and Buyer's ownership of the Purchased Shares. Without limiting the generality of the foregoing, the Board has approved Buyer becoming an "interested stockholder" within the meaning of Section 203 of Delaware General Corporation Law as a result of the transactions contemplated by this Agreement. The Company does not have any stockholder rights plans or similar arrangements relating to accumulations of beneficial ownership of shares of Common Stock or a change in control of the Company.

2.10. SEC Documents; Financial Statements. Except as set forth on Section 2.10 of the Company Disclosure Schedule, since December 31, 2016, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the 1934 Act or has received an extension of such time of filing (all of the foregoing filed prior to the date hereof and all exhibits and appendices included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "**SEC Documents**"). The Company has delivered to Buyer or its representatives true, correct and complete copies of each of the SEC Documents not available on the EDGAR system. As of their respective dates, each

of the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state 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. As of their respective dates, the financial statements of the Company included in the SEC Documents complied in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto as in effect as of the time of filing. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude the footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate).

2.11. Absence of Certain Changes. Except as set forth in Section 2.11 of the Company's Disclosure Schedule, Since the date of the Company's most recent audited financial statements contained in a Form 10-K, except as disclosed in the SEC Documents filed subsequent to such Form 10-K, there has been no Material Adverse Effect. Since the date of the Company's most recent audited financial statements contained in a Form 10-K, the Company has not (i) declared or paid any dividends, (ii) sold any assets outside of the ordinary course of business or (iii) made any material capital expenditures, individually or in the aggregate, outside of the ordinary course of business. The Company has not taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company have any Knowledge or reason to believe that any of its creditors intend to initiate involuntary bankruptcy proceedings or, except as set forth in Section 2.11 of the Company's Disclosure Schedule, any actual Knowledge of any fact which would reasonably lead a creditor to do so. After giving effect to the transactions contemplated hereby to occur at or prior to the Closing, (i) the Company will not be Insolvent and (ii) the Company has not engaged in any business or in any transaction, and the Company is not about to engage in any business or in any transaction, for which the Company's remaining assets constitute unreasonably small capital.

"**Insolvent**" means, (i) the present fair saleable value of the Company's assets is less than the amount required to pay the Company's total Indebtedness, (ii) the Company is unable to pay its debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured or (iii) the Company has current plans to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature. "**Indebtedness**" means, with respect to any Person, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all guarantees and arrangements having the economic effect of a guarantee of such Person of any other Indebtedness of any other Person, (iv) obligations under letters of credit, bank guarantees and other similar contractual obligations entered into by or on behalf of such Person (in each case whether or not drawn, contingent or otherwise), (v) liabilities related to

the deferred purchase price of property or services (including any earn-outs, contingent payments, seller notes or other similar obligations in connection with the acquisition of a business) other than those trade payables and accrued expenses incurred in the ordinary course of business, (vi) liabilities pursuant to capitalized leases to the extent required to be capitalized under generally accepted accounting principles, and (vii) net liabilities arising out of interest rate and currency swap arrangements and any other arrangements designed to provide protection against fluctuations in interest or currency rates. On the Closing Date, except as set forth on Schedule 2.13 of the Company's Disclosure Statement, the Company and the Subsidiaries will not have any Indebtedness or other liabilities other than Indebtedness and liabilities (i) set forth in the last Quarterly Report on Form 10-Q filed by the Company with the SEC, or (ii) meeting both of the following conditions: (A) such Indebtedness or liabilities arose after the date of filing with the SEC of the Company's last Quarterly Report on Form 10-Q, and (A) were incurred in the ordinary course of business of the Company and the Subsidiaries and in compliance with the covenants and agreements of the Company contained herein.

2.12. No Undisclosed Events, Liabilities, Developments or Circumstances. To the Company's Knowledge, no event, liability, development or circumstance has occurred or exists with respect to the Company, any of the Subsidiaries, or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) that (i) would be required to be disclosed by the Company under applicable securities laws on a Registration Statement on Form S-1 filed with the SEC relating to an issuance and sale by the Company of its Common Stock and which has not been publicly announced, or (ii) would reasonably likely to have a Material Adverse Effect.

2.13. Conduct of Business; Regulatory Permits. The Company is not in violation of any term of or in default under its Certificate of Incorporation, any certificate of designation, or Bylaws. Except as would not have a Material Adverse Effect or as described in the NASDAQ Letters (as defined below), to the Company's Knowledge, neither the Company nor any of the Subsidiaries is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or to such Subsidiary, and neither the Company nor any of the Subsidiaries will conduct its business in violation of any of the foregoing. Without limiting the generality of the foregoing, except as described in the NASDAQ Letters, the Company is not in violation of any of the rules, regulations or requirements of the Principal Market and has no Knowledge of any facts or circumstances that could reasonably lead to suspension of the Common Stock by the Principal Market in the foreseeable future. Since January 1, 2017, (i) the Common Stock has been designated for quotation on the Principal Market, (ii) trading in the Common Stock has not been suspended by the SEC or the Principal Market and (iii) except as described in the NASDAQ Letters, the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension of the Common Stock from the Principal Market. Each of the Company and the Subsidiaries possesses all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct its businesses, except where the failure to possess such certificates, authorizations or permits would not have, individually or in the aggregate, a Material Adverse Effect, and the Company has not received any written or oral notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit. The "**NASDAQ Letters**" means the letters dated as of April 27, 2016 and October 25, 2016, delivered by the Principal Market to the Company.

2.14. Foreign Corrupt Practices. Neither the Company nor any of the Subsidiaries nor, to the Company's Knowledge, any director, officer, agent, employee or other Person acting on behalf of the Company or any of the Subsidiaries (as applicable) has, in the course of its actions for, or on behalf of, the Company or any of the Subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

2.15. Sarbanes-Oxley Act. Except as set forth on Schedule 2.15 of the Company's Disclosure Schedule, The Company is in compliance in all material respects with all applicable requirements of the Sarbanes-Oxley Act of 2002 and all applicable rules and regulations promulgated by the SEC thereunder.

2.16. Transactions With Affiliates. Except as set forth in the SEC Documents and other than the Transaction Documents, except as set forth on Schedule 2.16of the Company's Disclosure Statement, none of the officers or directors of the Company, and to the Company's Knowledge, none of the employees or affiliates of the Company is presently a party to any transaction with the Company (other than for ordinary course services as employees, officers or directors and immaterial transactions), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director, employee or affiliate or, to the Knowledge of the Company, any corporation, partnership, trust or other Person in which any such officer, director, employee or affiliate has a substantial interest or is an employee, officer, director, trustee or partner, in each case that would be required to be disclosed pursuant to Regulation S-K promulgated under the 1933 Act.

2.17. Equity Capitalization. As of the date hereof, the authorized capital stock of the Company consists solely of (a) 150,000,000 shares of Common Stock, $0.001 par value, of which 4,379,425 are issued and outstanding and (b) 10,000,000 shares of preferred stock, $0.10 par value, of which (i) 12,300 of which are designated series A Convertible Preferred Stock, of which 0 are issued and outstanding, (ii) 12,300 of which are designated series B Convertible Preferred Stock, of which 0 are issued and outstanding, and (iii) 40,617 of which are designated series C Convertible Preferred Stock, of which 35,981 are issued and outstanding. No shares of Common Stock are held in treasury. All of such outstanding shares are duly authorized and have been validly issued and are fully paid and non-assessable. 5,784 shares of the Company's issued and outstanding Common Stock on the date hereof are owned by Persons who are "affiliates" (as defined in Rule 405 of the 1933 Act and calculated based on the assumption that only officers, directors and holders of at least 10% of the Company's issued and outstanding Common Stock are "affiliates" without conceding that any such Persons are "affiliates" for purposes of federal securities laws) of the Company. Except as set forth on Section 2.17 of the Company Disclosure Schedule or pursuant to the Transaction Documents: (i) to the Company's Knowledge, no Person owns 10% or more of the Company's issued and outstanding shares of Common Stock (calculated based on the assumption that all convertible securities, whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking

account of any limitations on exercise or conversion (including "blockers") contained therein without conceding that such identified Person is a 10% stockholder for purposes of federal securities laws); (ii) the Company's capital stock is not subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company; (iii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any capital stock of the Company, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue any capital stock of the Company; (iv) there are no outstanding debt securities, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness of the Company or by which the Company is or may become bound; (v) there are no financing statements securing obligations in any amounts filed in connection with the Company with respect to any outstanding Indebtedness; (vi) there are no agreements or arrangements under which the Company is obligated to register the sale of any of their securities under the 1933 Act (except pursuant to the Registration Rights Agreement); (vii) there are no outstanding securities or instruments of the Company which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company is or may become bound to redeem a security of the Company; (viii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Purchased Shares; (ix) the Company has no stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (x) the Company does not have any liabilities or obligations required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company's business and which does not or would not reasonably be expected to have a Material Adverse Effect. The Company has furnished to Buyer true, correct and complete copies of the Company's Amended and Restated Certificate of Incorporation, as amended and as in effect on the date hereof (the "**Certificate of Incorporation**"), and the Company's Amended and Restated Bylaws, as amended and as in effect on the date hereof (the "**Bylaws**"), and the terms of all securities convertible into, or exercisable or exchangeable for, shares of Common Stock and the material rights of the holders thereof in respect thereto.

2.18. Indebtedness and Other Contracts. Except as set forth on Schedule 2.18 of the Company's Disclosure Schedule, the Company is not in violation of any term of, or in default under, any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect. Except as disclosed in the SEC Documents, the Company (i) does not have any material outstanding Indebtedness or other material obligations and (ii) is not a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument would reasonably be expected to result in a Material Adverse Effect.

2.19. Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, government agency, self-regulatory organization or body pending or, to the Knowledge of the Company, threatened against or affecting the Company, the Common Stock or any of the Company's officers or directors which would be reasonably likely to adversely affect the transactions contemplated by this Agreement or would require disclosure in the SEC Documents, except as otherwise

disclosed in the SEC Documents or as set forth on Section 2.19 of the Company Disclosure Schedule. There has not been, and to the Knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company or any current or former director or officer of the Company. The SEC has not issued any stop order or other order suspending the effectiveness of any Registration Statement filed by the Company under the 1933 Act or the 1934 Act.

2.20. Insurance. The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company is engaged. The Company has not been refused any insurance coverage sought or applied for, and the Company has no reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

2.21. Employee Relations. Neither the Company nor any of the Subsidiaries is a party to any collective bargaining agreement nor, to the Company's Knowledge, does it employ any member of a union and there are no works councils or similar representative bodies within the Company or any of the Subsidiaries. The Company and each Subsidiary is in compliance in all material respects with its wage payment obligations to current and former employees and with its obligations to make tax-related deductions or withholdings from such wages. To the Company's Knowledge, except as would not have a Material Adverse Effect, since January 1, 2015, there has not been any workplace accident, illness or injury suffered by any employee or independent contractor of the Company or any of the Subsidiaries that is not fully recovered or recoverable by insurance and that is likely to give rise to any liability by the Company or any of the Subsidiaries to such current or former employee, independent contractor of the Company or any of the Subsidiaries. No current executive officer (as defined in Rule 501(f) promulgated under the 1933 Act) of the Company or any of the Subsidiaries has notified the Company or any of the Subsidiaries that such officer intends to leave the Company or any of the Subsidiaries or otherwise terminate such officer's employment with the Company or any of the Subsidiaries. No current executive officer of the Company or any of the Subsidiaries is, to the Company's Knowledge, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, with the Company or a Subsidiary, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. Except as described in the SEC Documents or as set forth Schedule 2.21 of the Company's Disclosure Schedule, there are no pending legal claims or, to the Company's Knowledge, threatened legal claims, asserted by any current or former employee of the Company or any of the Subsidiaries against the Company or any of the Subsidiaries, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. The Company and each of the Subsidiaries is in compliance in all material respects with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Except as set forth in the SEC Documents or as set forth in Schedule 2.21 of the Company's Disclosure Schedule or as would not, individually or in the aggregate, have a Material Adverse

Effect, neither the Company nor any of the Subsidiaries has entered into or made: (i) any agreement currently in effect to make any payment or to grant any loan or advance to any employee other than in respect of salary or standard benefits; (ii) any agreement currently in effect with any employee that provides that a change of control or a change of the management of the Company or any Subsidiary shall entitle such employee to any payment or benefit whatsoever or entitling him to treat himself as redundant or otherwise dismissed or released from any obligation; (iii) any agreement currently in effect imposing an obligation on the Company or any Subsidiary to change any terms of employment or working conditions or to increase the rates of remuneration or to make any bonus or incentive payments or any benefits in kind to any of its employees at any future date nor has the Company or any Subsidiary announced or proposed any such agreement; or (iv) any offer of an employment agreement to any person that is outstanding.

2.22. Pensions. Except as set forth in Section 2.22 of the Company Disclosure Schedule, neither the Company nor the Subsidiaries have obligations in respect of any retirement benefits (including any pre-pension, early retirement or similar benefits payable on or following retirement, termination of employment, disability or death) for or in respect of any present or former employee or managing director of the Company or any Subsidiary, and/or their spouses or dependents.

2.23. Personal Property. Except as set forth in Section 2.23 of the Company Disclosure Schedule, each of the Company and the Subsidiaries has good and marketable title to its personal property owned by it which is material to the business of the Company, in each case, free and clear of all liens, encumbrances and defects except such as would not have a Material Adverse Effect.

2.24. Real Property.

2.24.1. Neither the Company nor any of the Subsidiaries owns any real property or has the obligation to acquire title to any real property.

2.24.2. Any real property and facilities held under lease by the Company or any of the Subsidiaries (the "**Company Real Property**") are held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company or any Subsidiary, as the case may be.

2.24.3. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

2.24.3.1. There are no liens or encumbrances affecting the Company Real Property.

2.24.3.2. The current use of the Company Real Property complies with every prevailing zoning plan and planning permission.

2.24.3.3. No real property used or occupied by the Company or any of the Subsidiaries, including the Company Real Property, is polluted or contains or has contained asbestos.

2.24.3.4. The Company and the Subsidiaries have observed the terms and conditions of the leases of the Company Real Property and none of the Company or any of the Subsidiaries received a complaint regarding any alleged breach of any such terms or conditions.

2.24.4. No obligation exists for the Company or any Subsidiary to restore the Company Real Property in its original state.

2.25. Intellectual Property Rights.

2.25.1. The Company and its Subsidiaries own, or possess adequate rights or licenses to use, all trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights necessary or material for use in their respective businesses as now conducted (the "**Company Intellectual Property**").

2.25.2. Except as set forth on Section 2.25.2 of the Company Disclosure Schedule, neither the Company nor any Subsidiary has assigned or licensed any Company Intellectual Property to any third party. Except as set forth in the SEC Documents, the Company has not received any written notice or claim challenging the ownership or possession of its rights to use the Company Intellectual Property, or suggesting that any other Person has any claim of legal or beneficial ownership with respect thereto. Except as set forth in the SEC Documents, the Company has not received any written notice challenging, terminating, amending, or affecting the interest of the Company in the Company Intellectual Property.

2.25.3. The Company has taken all necessary actions deemed commercially reasonable by the Company to maintain and protect the Company Intellectual Property including, if and when applicable and required, the secrecy or confidentiality thereof, to the extent any such actions may be taken by the Company. Except as would not have a Material Adverse Effect, all applicable filing, examination, maintenance and legal fees due as of the date hereof in connection with the Company Intellectual Property have been paid in full.

2.25.4. Except as set forth in the SEC Documents or as set forth on Schedule 2.25.4 of the Company's Disclosure Schedule, the Company has not received written notice of a claim, nor does the Company have any Knowledge that any of the Company Intellectual Property is invalid, unenforceable, or misused. As used in this Agreement, the term "**Knowledge**" of an entity means the knowledge of any director, officer, general partner or manager of such entity, including Knowledge that could have been obtained by any such director, officer, general partner or manager of the entity following reasonable investigation of the relevant matter.

2.25.5. No Company Intellectual Property licensed to the Company, and, to the Knowledge of the Company, no intellectual property licensed by the Company is involved in any interference, reissue, reexamination, opposition or cancellation proceeding or any other litigation or proceeding of any kind in the United States or in any other jurisdiction.

2.25.6. Except as set forth on Section 2.25.6 of the Company Disclosure Schedule, to the Knowledge of the Company, no third party has, will be or currently is

2.25.7. infringing, misappropriating, diluting or otherwise misusing any of the Company Intellectual Property.

2.25.8. To the Knowledge of the Company, the transactions contemplated by this Agreement shall have no adverse effect on the right, title and interest of the Company and in and to Company Intellectual Property.

2.25.9. Except as disclosed to Buyer in writing prior to the date hereof, all current employees and consultants of the Company have signed agreements (for the benefit of the Company) containing confidentiality provisions and invention assignment provisions.

2.25.10. Except as set forth in the SEC Documents, the Company has not received any written communications alleging, nor does the Company have any Knowledge, that it has violated or, by conducting its business as currently conducted is currently violating any of the intellectual property rights of any other Person. To the Company's Knowledge, it is not necessary to the business, as currently conducted, to obtain any other intellectual property rights from any third Person other than those which are owned by or licensed to the Company or are in the public domain.

2.25.11. To the Company's Knowledge and except as would not result in a Material Adverse Effect, it is not necessary to the business, as currently conducted, to utilize any intellectual property of any of its employees of the Company made prior to their employment by the Company, except for inventions, trade secrets or proprietary information that have been assigned or licensed to the Company.

2.25.12. Since the last filing by the Company of its Form 10-K through the EDGAR system, there has not been any sale, assignment or transfer of ownership interest in any Company Intellectual Property or other intangible assets of the Company.

2.26. FDA. Except as set forth in the SEC Documents or as set forth on Section 2.26 of the Company Disclosure Schedule:

2.26.1. As to each product subject to the Food and Drug Administration ("**FDA**"), any EU Regulatory Entity or any comparable foreign laws, rules and regulations (such laws and regulations, "**Medical Regulations**") that has been developed, manufactured, tested, distributed and/or marketed by or on behalf of the Company or the Subsidiaries (each such product, a "**Company Product**"), each such Company Product has been developed, manufactured, tested, distributed and marketed in compliance in all material respects with all applicable requirements under the Medical Regulations, including those relating to registration and listing, good manufacturing practice requirements, quality systems regulations, labeling, advertising, record keeping and filing of required reports and security. Except as set forth on Section 2.26.1 of the Company Disclosure Schedule, the Company or the Subsidiaries have not received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring the termination, suspension or modification of any, preclinical or clinical studies or tests or alleging a violation of any applicable Medical Regulations with all preclinical and clinical trials, Company Products or proposed products. For purposes of this Section 2.25, "EU Regulatory Entity" means (a) the body which has the authority to act on

2.26.2. behalf of a European Union (EU) member state to ensure that the requirements of applicable medical device directives are carried out in that particular member state (a "**Competent Authority**"), (b) a certification organization which the Competent Authority of an EU member state designates to carry out one or more of the conformity assessment procedures according to the medical device directives, and (c) other comparable governmental or non-governmental regulatory entities of an EU member state.

2.26.3. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, the Company and the Subsidiaries have not had any Company Product or manufacturing site subject to a governmental entity (including FDA or any EU Regulatory Entity) shutdown or import or export prohibition, nor received any notice of inspectional observations, "warning letters," "untitled letters" or, to the Knowledge of the Company, requests or requirements to make changes to the operations of the Company's business or the Company Products that if not complied with would reasonably be expected to materially adversely affect the operations of the Company's business, or similar correspondence or written notice from the FDA, an EU Regulatory Entity or other governmental entity in respect of the Company's business and alleging or asserting noncompliance with any applicable Medical Regulations, laws, governmental permits or such requests or requirements of a governmental entity, and, to the Knowledge of the Company, none of the FDA, any EU Regulatory Entity or any other governmental entity is considering such action. No Company Product or other safety report with respect to the Company or the Company Products has been reported by the Company, and to the Knowledge of the Company, no Company Product or other safety report is under investigation by any governmental entity with respect to the Company Products or the Company's business. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, neither the Company nor the Subsidiaries have received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring termination, suspension or modification of any preclinical or clinical studies or tests or alleging a violation of any applicable laws or regulations in connection with all preclinical and clinical trials, Company Products or proposed products.

2.26.4. The Company and the Subsidiaries have filed or caused to be filed all required notices and other reports, including adverse experience reports, with respect to all preclinical and clinical trials with respect to the Company Products, except where such failure to file would not have a Material Adverse Effect.

2.26.5. The Company and the Subsidiaries, or its designated agents, own or have the right to use all regulatory documents, including all correspondence and reports made to governmental authorities, with respect to the Company Products or currently proposed products of the Company, except whether the failure to own or use such documents would not have a Material Adverse Effect.

2.26.6. Neither the Company nor any of the Subsidiaries, nor to the Company's Knowledge, any Person that manufactures, tests or distributes any Company Product on behalf of the Company has made with respect to any Company Product, an untrue statement of a material fact or fraudulent statement to the FDA, any EU Regulatory Entity or any other state or foreign regulatory authority or failed to disclose a material fact required to be disclosed to the FDA, any EU Regulatory Unit or any other state or foreign regulatory authority.

2.26.7. The Company has not, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has, engaged in any conduct for which debarment is mandated by 21 U.S.C. §335a(a) or any similar state or foreign law or regulation or authorized by 21 U.S.C. §335a(b) or any similar state or foreign law or regulation.

2.26.8. Where and when applicable, the Company has been, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has not been, in substantial compliance with the Medicare Anti-Kickback Statute, 42 U.S.C. §1320a-7b(b) and implementing regulations codified at 42 C.F.R. §1001 and with all similar state or foreign laws and regulations.

2.27. Healthcare Matters. Each of the Company and the Subsidiaries and the operations thereof are and have been in compliance in all material respects with all Healthcare Laws. "**Healthcare Laws**" means all legal requirements and government orders governing, regulating, restricting or relating or pertaining to the manufacturing, testing, distribution, sale, marketing or advertising, ordering or referring of, or the billing, coding or payment for, medical devices that are applicable to the business of Company or the Subsidiaries, including without limitation all (i) statutes, rules, regulations and other legal requirements governing the operation and administration of Medicare, Medicaid or other government healthcare programs, (ii) the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b), the federal Stark Law (42 U.S.C. § 1395nn), the federal civil False Claims Act (31 U.S.C. §§ 3729 *et seq*.), the federal Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), the federal Exclusion Laws (42 U.S.C. § 1320a-7), the Federal Health Care Fraud Law (18 U.S.C. § 1347) and or any comparable U.S., European Union, or other foreign laws, rules and regulations relating to self-referral, anti-kickback, illegal remuneration, fraud and abuse or the defrauding of or making or presenting of any false claim, false statement or misrepresentation of material facts to any federal government programs or other third-party payor, (iii) to the extent not otherwise defined as Medical Regulations in Section 2.26.1 of this Agreement, the Federal Food, Drug and Cosmetic Act, as amended, and the rules and regulations of the U.S. Food and Drug Administration, and comparable laws, rules or regulations of any EU Regulatory Entity or other state or foreign regulatory body, (iv) laws pertaining to the privacy or security of protected health information within the meaning of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (1996) ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, enacted as Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005 (2009) ("HITECH"), and similar privacy laws, and (v) all applicable rules and regulations promulgated under, and state, local and foreign legal requirements that address the subject matter of, any of the foregoing.

2.27.1. There is, and has been, no action pending, or, to Company's Knowledge, any action threatened in writing, alleging noncompliance with any Healthcare Law by any of (i) the Company, (ii) the Subsidiaries or (iii) their respective members, shareholders, owners, directors, managers, officers, employees, or to Company's Knowledge, independent contractors or agents, relating to the business of the Company or the Subsidiaries, except such as would not reasonably be likely to result in a Material Adverse Effect. None of the Company or the Subsidiaries has received or been served in the last five (5) years with any search warrant, subpoena, civil investigative demand, contact letter or other written notice from any

governmental authority or governmental or private third-party payor alleging any or relating to any alleged material violation by any of the Company of the Subsidiaries of any Healthcare Law.

2.27.2. None of the Company or the Subsidiaries is or has been: (i) excluded, debarred or suspended from participation in any governmental healthcare program or other third-party payor plan or program, or any federal or state governmental procurement or non-procurement program; (ii) convicted of any criminal offenses relating to the delivery of an item or service under any governmental healthcare program or other third-party payor plan or program, fraud, theft, embezzlement, breach of fiduciary responsibility or other financial misconduct in connection with the delivery of a healthcare item or service or with respect to any act or omission under any governmental healthcare program or other third-party payor plan or program, or interference with or obstruction of any investigation into any criminal offense; (iii) subject to any governmental order of, or any criminal, civil or administrative fine, assessment or penalty imposed by, any governmental authority with respect to any governmental healthcare program or other third-party payor plan or program; nor (iv) party to any corporate integrity agreement, deferred prosecution agreement or similar agreement, or subject to any reporting obligations relating to the provision of any healthcare goods or services or the payment therefor pursuant to any settlement agreement, with the Office of the Inspector General, U.S. Department of Health and Human Services, U.S. Department of Justice or other governmental authority; nor is any of the foregoing pending or, to the Company's Knowledge, threatened.

2.28. Environmental Laws. Each of the Company and the Subsidiaries (i) is in compliance with all Environmental Laws, (ii) has received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its businesses and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect. "**Environmental Laws**" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "**Hazardous Materials**") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.29. Product Liability and Warranty. Except as set forth on Section 2.29 of the Company Disclosure Schedule. each product or service sold, manufactured, designed, packaged, distributed, leased, provided or otherwise delivered by the Company or the Subsidiaries has been in conformity, in all material respects, with all applicable laws, contractual commitments and all express and implied warranties, and neither the Company or any of the Subsidiaries has any material liability (and, to the Company's Knowledge, there is no, basis for any, present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against, or recall by, the Company) for replacement or repair of any such products or services or other damages in connection therewith. Except as set forth on Section 2.29 of the Company

Disclosure Schedule, to the Company's Knowledge, there is no, basis for any, present or future action against the Company giving rise to any material liability, arising out of product liability obligations or claims, or any injury to Person or property, in each case as a result of the ownership, possession or use of a product or service manufactured, sold, designed, packaged, distributed, leased, delivered or provided by the Company.

2.30. Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "**Personal Information**"), the Company and the Subsidiaries are and have been, to the Company's Knowledge, in compliance in all material respects with all applicable laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any contract or codes of conduct to which the Company is a party. The Company and the Subsidiaries have commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company and the Subsidiaries have been, to the Company's Knowledge, in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.31. Tax Status. Except as set forth on Section 2.31 of the Company Disclosure Schedule and except as would not reasonably be likely to result in a Material Adverse Effect on the Company and its Subsidiaries:

2.31.1. The Company and the Subsidiaries (i) have filed all non-U.S., U.S. federal, state, local and other income and other material tax returns, reports and declarations required by any jurisdiction to which the Company and any of its Subsidiaries are subject ("**Tax Returns**") (and each such Tax Return is correct and complete in all material respects), (ii) have timely paid all income and other material taxes, governmental assessments and charges due ("**Taxes**") (whether or not shown on any Tax Return), other than any such Taxes being contested in good faith by appropriate proceedings, and (iii) have set aside adequate reserves in accordance with generally accepted accounting principles for Taxes being contested as described in clause (ii).

2.31.2. The Company and its Subsidiaries have not received written notice of unpaid Taxes in any material amount claimed to be due by the taxing authority of any jurisdiction.

2.31.3. There is no action, audit, dispute or claim now pending, or proposed or threatened in writing, against or with respect to the Company or any of its Subsidiaries with respect to Taxes.

2.31.4. No written claim has been made by a taxing authority in a jurisdiction where any of the Company or its Subsidiaries do not file tax returns that any of them is or may be subject to taxation by that jurisdiction.

2.31.5. There are no liens on any of the stock or assets of any of the Company or its Subsidiaries with respect to Taxes (other than for Taxes not yet due and payable or for which adequate reserves are provided for in the SEC Documents).

2.31.6. Each of the Company and its Subsidiaries (i) has withheld and timely paid all material taxes required to have been withheld and paid, (ii) is not subject to a waiver of any statute of limitations in respect of Taxes or any extension of time with respect to a [material] Tax assessment or deficiency that is still in effect, and (iii) is not subject to any private ruling or closing agreement with a taxing authority, and (iv) is not a party to a tax allocation or sharing agreement (other than any agreement solely among the Company and its Subsidiaries and other than the indemnification and gross-up provision of the Company's credit facilities and similar provisions of any other agreement entered into in the ordinary course of business (e.g., leases), the principal purpose of which is not related to taxes).

2.31.7. None of the Company or its Subsidiaries has liability for the Taxes of another person (other than the Company or its Subsidiaries) as transferee or successor, by contract or pursuant to law.

2.31.8. Except for any taxable period (or portion thereof) ending after the Closing Date as a result of any intercompany transaction, excess loss account, prepaid amount, cancellation of indebtedness income, or change of accounting method, except to the extent that the liability or inclusion of income, as applicable, would not result in a Material Adverse Effect.

2.31.9. No Subsidiary [other than Photomedex India Private Limited] is a foreign entity, and the Company does not own any record or beneficial interest in any other foreign entity.

2.32. Internal Accounting and Disclosure Controls. Except as provided in Section 2.32 of the Company Disclosure Schedule, the Company maintains internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the 1934 Act) that is sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the 1934 Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Except as set forth in Section 2.32 of the Company's Disclosure Schedule, the Company has not received any notice or correspondence

from any accountant or other Person relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company. There are no material disagreements presently existing, or reasonably anticipated by the Company to arise, between the accountants and lawyers presently employed by the Company.

2.33. Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off-balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise would be reasonably likely to have a Material Adverse Effect.

2.34. Investment Company Status. The Company is not, and upon consummation of the sale of the Purchased Shares will not be, an "investment company," an affiliate of an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

2.35. Acknowledgement. The Company acknowledges that sales of shares of Common Stock by Buyer following the effectiveness of the Registration Statement or pursuant to Rule 144 or otherwise pursuant to an exemption from registration may reduce the price of the Common Stock. None of the foregoing shall constitute a breach of this Agreement or any other obligation of Buyer.

2.36. Manipulation of Price. The Company has not, and, to the Knowledge of the Company, no Person acting on its behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Purchased Shares, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Purchased Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

2.37. U.S. Real Property Holding Corporation. The Company is not and has not ever been a U.S. real property holding corporation within the meaning of Section 897 of the Code, and the Company shall so certify upon Buyer's request.

2.38. Registration Eligibility. The Company is eligible to register the resale of the Purchased Shares by Buyer on Form S-3.

2.39. Transfer Taxes. On the Closing Date, all stock transfer or other taxes (other than income or similar taxes) which are required to be paid in connection with the issuance, sale and transfer of the Purchased Shares to be sold to Buyer hereunder will be, or will have been, fully paid or provided for by the Company, and the Company shall file any Tax Returns required to be filed with respect to such taxes.

2.40. Shell Company Status. The Company is not, and has never been, an issuer identified in, or subject to, Rule 144(i).

2.41. Illegal or Unauthorized Payments; Political Contributions. Neither the Company nor, to the Company's Knowledge, any of the officers, directors, employees, agents or other

representatives of the Company or any other business entity or enterprise with which the Company is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company.

2.42. Money Laundering. The Company is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

2.43. Registration Rights. No holder of securities of the Company (other than Buyer and other holders of the Company's securities who are parties to the Registration Rights Agreement) has rights to the registration of any securities of the Company because of the filing of the Registration Statement under the Registration Rights Agreement or the issuance of the Purchased Shares hereunder.

2.44. Accounts Receivable. All of the Company's and the Subsidiaries accounts receivable reflected in the Company's last filed Quarter Report on Form 10-Q constituted at that time a valid claim in the full amount thereof against the debtor charged therewith on the books of the Company, and has been acquired in the ordinary course of business.

2.45. Relationships with Customers and Suppliers. Except as set forth on Section 2.45 of the Company Disclosure Schedule, neither the Company nor any of the Subsidiaries is engaged in any dispute with any customer or supplier and, to the Knowledge of the Company, no customer or supplier intends to terminate or modify its business relations with the Company, in each case where the result of such dispute, termination or modification is likely to result in a Material Adverse Effect.

2.46. Incentive Plan. Prior to the date hereof, the Board (or a committee thereof) has taken all necessary actions to adjust to reflect the 5-to-1 reverse stock split effected on April 6, 2017, (a) the total number of shares of Common Stock available for issuance under the 2016 Omnibus Incentive Plan (the "**Plan**") from 10,294,400 to 2,058,880 shares of Common Stock and (b) all outstanding Incentive Awards (as such term is defined in the Plan) under the Plan. As of the date of this Agreement, the total number of shares of Common Stock available for issuance under the Plan is 1,557,628. Except as set forth in the SEC Documents and on Schedule **Error! Reference source not found.** of the Company Disclosure Schedule, the Company does not have any employee stock option plans other than the Plan, and no options remain outstanding under any other stock option plans of the Company.

2.47. Acknowledgement. All disclosure provided to Buyer regarding the Company, its business and the transactions contemplated hereby, including the representations and warranties set forth in, and the schedules attached to, this Agreement, furnished by or on behalf of the Company is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each press release issued by the Company during the twelve (12) months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit to state 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 are made, not misleading. No event or circumstance has occurred, or information exists with respect to the Company or its business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed. The Company acknowledges and agrees that Buyer makes no, and has not made any, representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.

2.48 Acknowledgment Regarding Buyer's Purchase of Purchased Shares. The Company acknowledges and agrees that each of the Buyers is acting solely in the capacity of an arm's length Buyer with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Buyer is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Buyer or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Buyer's purchase of the Purchased Shares. The Company further represents to the Buyer that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

2.49 Acknowledgment Regarding Buyer's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding, it is understood and acknowledged by the Company that: (i) none of the Buyers has been asked by the Company to agree, nor has the Buyer agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Purchased Shares for any specified term, (ii) past or future open market or other transactions by the Buyer, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities, (iii) the Buyer, and counter-parties in "derivative" transactions to which any the Buyer is a party, directly or indirectly, presently may have a "short" position in the Common Stock and (iv) the Buyer shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) one or more Buyers may engage in hedging activities at various times during the period that the Purchased Shares are outstanding, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are

being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

3. BUYER'S REPRESENTATIONS AND WARRANTIES.

Buyer represents and warrants to the Company that:

3.1. Organization; Authority. Buyer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents to which it is a party and otherwise to carry out its obligations hereunder and thereunder.

3.2. No Public Sale of Distribution. Buyer is acquiring the Purchased Shares, for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof in violation of applicable securities laws, except pursuant to sales registered or exempted under the 1933 Act; provided, however, by making the representations herein, Buyer does not agree, or make any representation or warranty, to hold any of the Purchased Shares for any minimum or other specific term and reserves the right to dispose of the Purchased Shares at any time in accordance with or pursuant to a Registration Statement or an exemption under the 1933 Act. Buyer does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Purchased Shares in violation of applicable securities laws.

3.3. Accredited Investor Status. Buyer is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D.

3.4. Reliance on Exemptions. Buyer understands that the Purchased Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of Buyer to acquire the Purchased Shares.

3.5. Information. Buyer and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Purchased Shares which have been requested by Buyer, including a copy of the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current reports on Form 8-K, if any. Buyer and its advisors, if any, have been afforded the opportunity to ask questions of, and receive answers from, the Company concerning the offer and sale of the Purchased Shares and to obtain any additional information Buyer has requested which is necessary to verify the accuracy of the information furnished to Buyer concerning the Company and such offering. Buyer understands that its investment in the Purchased Shares involves a high degree of risk. Buyer has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Purchased Shares. Buyer also acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has

relied solely upon its own investigation and the express representations and warranties of the Company set forth in Section 2 of this Agreement; and (b) neither the Company nor any other Person has made any representation or warranty as to the Company or this Agreement, except as expressly set forth in Section 2 of this Agreement.

3.6. No Governmental Review. Buyer understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Purchased Shares or the fairness or suitability of the investment in the Purchased Shares nor have such authorities passed upon or endorsed the merits of the offering of the Purchased Shares.

3.7. Transfer or Resale. Buyer understands that except as provided in the Registration Rights Agreement: (i) the Purchased Shares have not been and are not being registered under the 1933 Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, or (B) pursuant to an exemption from registration, including any sale of the Purchased Shares made in reliance on Rule 144 or Rule 144A promulgated under the 1933 Act (or a successor rule thereto)("**Rule 144**").

3.8. Validity; Enforcement. This Agreement has been, and the other Transaction Documents to which Buyer is a party, or will be upon delivery at the Closing has been, duly and validly authorized, executed and delivered on behalf of Buyer and each constitutes or, when delivered in accordance with the terms hereof, will constitute, the legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

3.9. No Conflicts. The execution, delivery and performance by Buyer of the Transaction Documents to which it is a party and the consummation by Buyer of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of Buyer, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Buyer is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to Buyer, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligations hereunder.

3.10. Availability of Funds. Buyer has all funds necessary to purchase all the Purchased Shares to be issued under this Agreement and to timely consummate the transactions contemplated herein.

3.11. Illegal or Unauthorized Payments; Political Contributions. Neither Buyer nor, to Buyer's Knowledge, any of the officers, directors, employees, agents or other representatives of Buyer or any other business entity or enterprise with which Buyer is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of

money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of Buyer.

3.12. Money Laundering. Buyer is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

3.13. Legends. Buyer understands that, except as provided in Section 5.1, certificates evidencing the Purchased Shares may bear any legend as required by the Blue Sky laws of any state and a restrictive legend in substantially the form set forth in Section 5.1.

3.14. Ownership of Common Stock. Buyer is not, nor at any time during the last three (3) years has it been, and "interested stockholder" of the Company as defined in Section 203 of the Delaware General Corporation Law. Buyer does not own (directly or indirectly, beneficially or of record) and is not a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of, in each case, any shares of capital stock of the Company (other than as contemplated by this Agreement).

3.15. Foreign Investors. If the Buyer is not a United States person (as defined by Section 7701(a)(30) of the Code), the Buyer hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Purchased Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Purchased Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Purchased Shares. The Buyer's subscription and payment for and continued beneficial ownership of the Purchased Shares will not violate any applicable securities or other laws of the Buyer's jurisdiction.

4. COVENANTS.

4.1. Commercially Reasonable Efforts. Buyer shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 6 of this Agreement. The Company shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 7 of this Agreement.

4.2. Form D and Blue Sky. The Company shall file a Form D with respect to the Purchased Shares as required under Regulation D and to provide a copy thereof to Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or

to, qualify the Purchased Shares for sale to Buyer at the Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to Buyer on or prior to the Closing Date. Without limiting any other obligation of the Company under this Agreement, the Company shall timely make all filings and reports relating to the offer and sale of the Purchased Shares required under all applicable securities laws (including, without limitation, all applicable federal securities laws and all applicable "Blue Sky" laws), and the Company shall comply with all applicable federal, foreign, state and local laws, statutes, rules, regulations and the like relating to the offering and sale of the Purchased Shares to Buyer.

4.3. Reporting Status. Until the date on which Buyer shall have sold all of the Registrable Securities (the "**Reporting Period**"), the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act, and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would no longer require or otherwise permit such termination. Until such time that all of the Purchased Shares may be sold without the requirement for the Company to be in compliance with Rule 144(c)(1) and otherwise without restriction or limitation pursuant to Rule 144, and provided that the Buyer is not then, and has not been in the 90 day prior thereto, an Affiliate of the Company, if the Company (i) shall fail for any reason to satisfy the current public information requirement under Rule 144(c) or (ii) has ever been an issuer described in Rule 144(i)(1)(i) or becomes an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (a "**Public Information Failure**") then, in addition to the Buyer's other available remedies, the Company shall pay to the Buyer, in cash, as partial liquidated damages and not as a penalty, by reason of any such delay in or reduction of its ability to sell the Purchased Shares, an amount in cash equal to one and a half percent (1.5%) of the aggregate Purchase Price of the Buyer's Purchased Shares on the day of a Public Information Failure and on every thirtieth (30th) day (pro-rated for periods totaling less than thirty days) thereafter until the earlier of (a) the date such Public Information Failure is cured and (b) such time that such public information is no longer required for the Buyers to transfer the Shares and Warrant Shares pursuant to Rule 144. The payments to which the Buyer shall be entitled pursuant to this Section 4.5 are referred to herein as "**Public Information Failure Payments**." Public Information Failure Payments shall be paid on the earlier of (i) the last day of the calendar month during which such Public Information Failure Payments are incurred and (ii) the third (3rd) Business Day after the event or failure giving rise to the Public Information Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the rate of 1.5% per month (prorated for partial months) until paid in full. Nothing herein shall limit the Buyer's right to pursue actual damages for the Public Information Failure, and the Buyer shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief.

4.4 Use of Proceeds. The Company shall use the proceeds from the sale of the Purchased Shares for general corporate purposes, for acquisition of growth technologies in accordance with plans approved by the Board, and for working capital.

4.5. Financial Information. The Company agrees to send the following to Buyer during the Reporting Period unless the following are filed with the SEC through the EDGAR

system and are available to the public through the EDGAR system, (i) within one (1) Business Day after the filing thereof with the SEC, a copy of its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, any interim reports or any consolidated balance sheets, income statements, stockholders' equity statements and/or cash flow statements for any period other than annual, any current reports on Form 8-K and any Registration Statements or amendments filed pursuant to the 1933 Act, (ii) on the same day as the release thereof, facsimile copies of all press releases issued by the Company (*provided* that such press releases will be deemed delivered if posted on the Company's website within one (1) Business Day of release thereof) and (iii) copies of any notices and other information made available or given to the stockholders of the Company generally, contemporaneously with the making available or giving thereof to the stockholders.

4.6. Listing. The Company shall maintain the Common Stock's listing on the Nasdaq Capital Market (the "**Eligible Market**"). Except as set forth in the NASDAQ Letters, the Company shall not take any action which could be reasonably expected to result in the delisting or suspension of the Common Stock on an Eligible Market. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4.7.

4.7. Disclosure of Transactions and Other Material Information. The Company shall, on or before 8:30 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, (i) issue a press release (the "**Press Release"**) reasonably acceptable to Buyer disclosing all the material terms of the transactions contemplated by the Transaction Documents and (ii) file a Current Report on Form 8-K describing all the material terms of the transactions contemplated by the Transaction Documents in the form required by the 1934 Act and attaching all the material Transaction Documents (including all attachments, the "**8-K Filing**"). From and after the issuance of the Press Release, the Company represents to the Buyers that it shall have publicly disclosed all material, non-public information delivered to any of the Buyers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the issuance of such press release, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates on the one hand, and any of the Buyers or any of their Affiliates on the other hand, shall terminate. Subject to the foregoing, unless and until a Change of Recommendation has occurred, neither the Company nor Buyer shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, the Company shall be entitled, without the prior approval of Buyer, to make any press release or other public disclosure with respect to such transactions (A) in substantial conformity with the 8-K Filing and contemporaneously therewith and (B) as is required by applicable law and regulations (provided that in the case of clause (A) Buyer shall be consulted by the Company in connection with any such press release or other public disclosure prior to its release).

4.8. Additional Offerings.

In the event the Company at any time proposes to issue additional shares of its capital stock (or rights convertible or exercisable into shares of capital stock), other than (i) stock and options issued to employees or directors of, or consultants or advisors to, the Company or any of the Subsidiaries pursuant to a plan approved by the Board, or (ii) registered public offerings, Buyer

shall have a preemptive right to participate in any such issuance, allowing Buyer to purchase such shares or rights, on terms and conditions no less favorable to Buyer as those offered to any other offeree in such issuance, up to a percentage of the total number of shares or rights offered by the Company in such issuance equal to Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately prior to such issuance.

4.9. Observer Rights

From the date hereof until such date as Buyer no longer owns any of the Purchased Shares it is purchasing hereunder, the Company shall invite a representative of Buyer to attend all meetings of the Board of Directors (including committees thereof) in a nonvoting observer capacity and, in this respect, if requested by Buyer, the Company shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors.

4.10. Non-Public Information.

Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, which shall be disclosed pursuant to Section 4.8, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide Buyer or its agents or counsel with any information that constitutes, or the Company reasonably believes constitutes, material non-public information, unless prior thereto the Buyer shall have consented to the receipt of such information and agreed with the Company to keep such information confidential. The Company understands and confirms that the Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company. To the extent that the Company delivers any material, non-public information to the Buyer without the Buyer's consent, the Company hereby covenants and agrees that the Buyer shall not have any duty of confidentiality to the Company, any of its Subsidiaries, or any of their respective officers, directors, agents, employees or Affiliates, or a duty to the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates not to trade on the basis of, such material, non-public information, provided that the Buyer shall remain subject to applicable law. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Company understands and confirms that the Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company (provided that the Buyer has not exercised its observation rights pursuant to Section 4.10 during the prior 90 days).

4.11 D&O Insurance. The Company shall maintain for a period ending six years after the Closing, and fully pay the premium for, directors' and officers' liability insurance policies covering current and former officers and directors of the Company in respect of acts or omissions occurring at or prior to Closing (including for acts or omissions occurring in connection with the approval and execution by the Company of the letter of intent proposing the transactions contemplated hereby, this Agreement and the consummation of the Closing), and containing terms that are no less favorable to any such officer or director than those of the officers' and directors' liability insurance policies in effect on the date of this Agreement.

4.12. Auditors. Within ten (10) business days following Closing, the Company shall retain as its outside auditors either a Big 4 accounting firm, or another national accounting firm approved by Buyer.

5. REGISTER; TRANSFER AGENT INSTRUCTIONS; LEGEND.

5.1. Legends. Buyer understands that the Purchased Shares have been issued pursuant to an exemption from registration or qualification under the 1933 Act and applicable state securities laws, and except as set forth below, the Purchased Shares shall bear any legend as required by the "Blue Sky" laws of any state and a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such stock certificates):

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

5.2. Removal of Legends. Certificates evidencing the Purchased Shares shall not contain any legend (including the legend set forth in Section 5.1 hereof), (i) while a registration statement covering the resale of such security is effective under the 1933 Act, (ii) following any sale of such Purchased Shares pursuant to Rule 144, (iii) if such Purchased Shares are eligible for sale under Rule 144 free of any restrictions, or (iv) if such legend is not required under applicable requirements of the 1933 Act (including judicial interpretations and pronouncements issued by the staff of the Commission) ("**Liquidity Date**"). After the Liquidity Date, the Company shall cause its counsel to promptly issue a legal opinion to the Transfer Agent or the Buyer if required by the Transfer Agent to effect the removal of the legend hereunder, or if requested by the Buyer, respectively. The Company agrees that following the Liquidity Date or at such time as such legend is no longer required under this Section 5.2, it will, no later than two (2) Trading Days (as defined below) following the delivery by the Buyer to the Company or the Transfer Agent of a certificate representing Purchased Shares issued with a restrictive legend (such date, the "**Legend Removal Date**"), deliver or cause to be delivered to the Buyer a certificate representing such shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 5. Certificates for Purchased Shares subject to legend removal hereunder shall be transmitted by the Transfer Agent to the

Buyer by crediting the account of the Buyer's prime broker with the Depository Trust Company System as directed by the Buyer. "**Trading Day**" shall mean a Business Day on which the Principal Market is open for trading.

5.3 Failure to Remove Legends. In addition to the Buyer's other available remedies, the Company shall pay to the Buyer, in cash, (i) as partial liquidated damages and not as a penalty, for each $2,000 of Purchased Shares (based on the VWAP of the Common Stock on the date such Purchased Shares are submitted to the Transfer Agent) delivered for removal of the restrictive legend and subject to Section 4.1(c), $10 per Trading Day for each Trading Day after the Legend Removal Date until such certificate is delivered without a legend and (ii) if the Company fails to (a) issue and deliver (or cause to be delivered) to the Buyer by the Legend Removal Date a certificate representing the Purchased Shares so delivered to the Company by the Buyer that is free from all restrictive and other legends and (b) if after the Legend Removal Date the Buyer purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Buyer of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock that the Buyer anticipated receiving from the Company without any restrictive legend, then, an amount equal to the excess of the Buyer's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including brokerage commissions and other out-of-pocket expenses, if any) (the "**Buy-In Price**") over the product of (A) such number of Purchased Shares that the Company was required to deliver to the Buyer by the Legend Removal Date multiplied by (B) the lowest closing sale price of the Common Stock on any Trading Day during the period commencing on the date of the delivery by the Buyer to the Company of the applicable Purchased Shares (as the case may be) and ending on the date of such delivery and payment under this clause (ii). "**VWAP**" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Principal Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Principal Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Principal Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Buyers of a majority in interest of the Purchased Shares then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

6. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

6.1. The obligation of the Company hereunder to issue and sell the Purchased Shares at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may

be waived by the Company at any time in its sole discretion by providing Buyer with prior written notice thereof:

6.1.1. Buyer shall have executed each of the other Transaction Documents to which it is a party and delivered the same to the Company.

6.1.2. Buyer shall have delivered to the Company the Purchase Price at the Closing by wire transfer of immediately available funds pursuant to the wire instructions provided by the Company.

6.1.3. The representations and warranties of Buyer shall be true and correct in all material respects as of the date when made and as of the Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date), and Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by Buyer at or prior to the Closing Date, and Buyer shall have delivered a certificate in form reasonably acceptable to the Company and signed by an executive officer of Buyer to the effect that this condition has been satisfied.

6.1.4. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin or prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

6.1.5. The Company Stockholder Approval shall have been obtained and a simultaneous closing under that certain Stock Purchase Agreement between the Company and Accelmed Growth Parties, L.P. (the ""**Accelmed SPA**") shall have occurred.

6.1.6. Buyer shall have delivered to the Company such other documents, instruments or certificates relating to the transactions contemplated by this Agreement reasonably required to consummate the transactions contemplated hereby.

7. CONDITIONS TO BUYER'S OBLIGATION TO PURCHASE.

7.1. The obligation of Buyer hereunder to purchase the Purchased Shares at the Closing is subject to the satisfaction, at or before Closing Date, of each of the following conditions, provided that these conditions are for Buyer's sole benefit and may be waived by Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

7.1.1. The Company shall have duly executed and delivered to Buyer each of the Transaction Documents to which it is a party.

7.1.2. Buyer shall have received evidence of the simultaneously closing under the Accelmed SPA providing for a purchase by Accelmed, Buyer, Sabby Healthcare Master Fund, Ltd. and Sabby Volatility Warrant Master Fund, Ltd. of shares of the Company's Common

Stock for an aggregate purchase price of Fifteen million dollars ($15,000,000) at a price per share of no less than $1.08.

7.1.3. The Company shall have duly executed and delivered to Buyer the Registration Rights Agreement in the form attached hereto as Schedule 7.1.3 (the "**Registration Rights Agreement**").

7.1.4. The Company and Rafaeli shall have entered into an employment agreement appointing Rafaeli as CEO of the Company, in the form attached hereto as Schedule 7.1.4 hereto, and such agreement shall remain in full force and effect as of immediately following Closing effective as of Closing.

7.1.5. The Board shall have approved this Agreement, the purchase by Buyer of the Purchased Shares, and the other matters contemplated by the Transaction Documents.

7.1.6. The Company shall have obtained Stockholder Approval.

7.1.7. The Company shall have delivered to Buyer a certificate evidencing the good standing of the Company and each Subsidiary in the State of Delaware, issued by the Delaware Secretary of State as of a date within ten (10) days of the Closing Date.

7.1.8. The Company shall have delivered to Buyer a certificate evidencing the Company's and each Subsidiary's foreign qualification and good standing issued by the Secretary of State (or comparable office) of each jurisdiction in which the Company and each such Subsidiary conducts business and is required to so qualify, as of a date within ten (10) days of the Closing.

7.1.9. The Company shall have delivered to Buyer a letter from the Company's transfer agent certifying the number of shares of the Company's capital stock, stating the outstanding shares of each class and series on the Closing Date immediately prior to the Closing.

7.1.10. The Common Stock (i) shall be designated for quotation on the Principal Market and (ii) shall not have been suspended, as of the Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of the Closing Date, either (A) in writing by the SEC or the Principal Market or (B) by falling below the minimum maintenance requirements of the Principal Market; (b) since the date of this Agreement, the Company shall have timely complied (without regard to any extensions) with all filing and reporting obligations under the federal securities laws; and (c) the Company is in compliance with all requirements in order to maintain quotation on the Principal Market (including reporting requirements under the 1934 Act).

7.1.11. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin, prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

7.1.12. Since the date of execution of this Agreement, the Company shall not have filed nor be subject to any bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors instituted by or against the Company.

8. TERMINATION.

8.1. Termination. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing:

8.1.1. By either Buyer or the Company if the Closing has not occurred by June 30, 2018 (the "**Last Closing Date**");

8.1.2. By the written consent of Buyer, Accelmed and the Company;

8.1.3. By Buyer upon termination of the Accelmed SPA; or

8.1.4. By Buyer or the Company if any court of competent jurisdiction in the United States or other governmental entity will have issued a final and non-appealable order, decree or ruling permanently restraining, rejoining or otherwise prohibiting the consummation of any material transaction contemplated herein.

8.2. Consequences of Termination.

8.2.1. Except as otherwise expressly set forth in this Agreement, if this Agreement is terminated pursuant to Section 8.1 all parties' respective obligations hereunder shall then terminate, except that each party shall retain the right to pursue any and all remedies available hereunder or otherwise against any other party by reason of such other party's breach of any of its representations, warranties or covenants herein prior to such termination, which right shall survive the termination of this Agreement and shall remain in full force and effect and the Company shall reimburse the Buyer, by wire transfer of immediately available funds within two (2) Business Days after such termination, Buyer's legal fees and expenses up to $25,000.

9. MISCELLANEOUS.

9.1. Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement and the other Transaction Documents shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of New York, for the adjudication of any dispute hereunder or under any of the other Transaction Documents or in connection herewith or therewith or with any transaction contemplated hereby or thereby or discussed herein or therein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and

consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

9.2. Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

9.3. Headings; Gender. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

9.4. Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

9.5. Entire Agreement; Amendments. This Agreement, the other Transaction Documents and the schedules and exhibits expressly attached hereto and thereto supersede all other prior oral or written agreements between Buyer, the Company, its affiliates and Persons acting on its behalf solely with respect to the matters contained herein and therein, and this Agreement, the other Transaction Documents, and the schedules and exhibits expressly attached hereto and thereto contain the entire understanding of the parties solely with respect to the matters covered herein and therein. For clarification purposes, the Recitals are part of this

Agreement. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and Buyer. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. The Company has not, directly or indirectly, made any agreements with Buyer relating to the terms or conditions of the transactions contemplated by the Transaction Documents except as set forth in the Transaction Documents. Without limiting the foregoing, the Company confirms that, except as set forth in this Agreement, Buyer has not made any commitment or promise or has any other obligation to provide any financing to the Company or otherwise. As a material inducement for Buyer to enter into this Agreement, the Company expressly acknowledges and agrees that (i) no due diligence or other investigation or inquiry conducted by Buyer, any of its advisors or any of its representatives, or any information provided by or on behalf of the Company to Buyer shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document, provided, that, Buyer shall not be entitled to seek damages for a breach of the Company's representations and warranties contained in this Agreement or any other Transaction Document to the extent such damages resulted from a breach of which Buyer had knowledge of prior to the date hereof and (ii) unless a provision of this Agreement or any other Transaction Document is expressly preceded by the phrase "except as disclosed in the SEC Documents," nothing contained in any of the SEC Documents shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document.

9.6. Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, if delivered personally; (ii) when sent, if sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); (iii) when sent, if sent by e-mail (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's e-mail server that such e-mail could not be delivered to such recipient) and (iv) if sent by overnight courier service, one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses, facsimile numbers and e-mail addresses for such communications shall be:

If to the Company:

STRATA Skin Sciences, Inc.
100 Lakeside Drive, Suite 100
Horsham, PA 19044
Telephone: 215.619.3200
Facsimile:
Attention: Chairperson of the Board

With a copy (for informational purposes only) to:

Duane Morris LLP
30 South 17th Street
Philadelphia, PA 19103-4196
Email: JWKauffman@duanemorris.com
Telephone: 215.979.1227
Facsimile: 215.689.2724
Attention: John W. Kauffman, Esq.

If to Buyer:

Broadfin Healthcare Master Fund, Ltd.
c/o Broadfin Capital, LLC
300 Park Avenue, 25th Floor
New York, NY 10022
kevin@broadfincapital.com

With a copy (for informational purposes only) to:

Robert E. Puopolo
Goodwin Procter LLP
100 Northern Ave
Boston, MA 02210
RPuopolo@goodwinlaw.com

or to such other address, facsimile number or e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date and recipient facsimile number or (iii) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iv) above, respectively. A copy of the e-mail transmission containing the time, date and recipient e-mail address shall be rebuttable evidence of receipt by e-mail in accordance with clause (iii) above.

9.7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and its successors and assigns, including, as contemplated below, any assignee of any of the Purchased Shares. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Buyer.

9.8. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and its permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

9.9. Survival. The representations, warranties, agreements and covenants shall survive the Closing, except that if a claim is not made in respect of a particular representation or

warranty within two (2) years of the date hereof, such representation or warranty will expire at such time.

9.10. Further Assurances. 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 may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

9.10.1. Without limiting the foregoing, in the event the Company is required to issue additional shares pursuant to Section 9.10.1 of the Accelmed SPA, then the Buyer shall also be issued additional shares of Common Stock pro-rata based on the number of shares issued under this Agreement to the number of shares issued pursuant to the Accelmed SPA, provided, however, to the extent that such issuance would otherwise cause the Buyer's beneficial ownership of the Common Stock (as calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) would exceed 4.99%, such shares shall be held in abeyance by the Company for the benefit of the Buyer until such time that the Buyer is able, in its discretion, to receive such shares without exceeding such 4.99% limitation.

9.11. Indemnification.

9.11.1. In consideration of Buyer's execution and delivery of the Transaction Documents and acquiring the Purchased Shares thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless Buyer, its affiliates, and their respective stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Indemnitees**") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements, (collectively the "**Losses**") incurred by any Indemnitee as a result of, or arising out of, or relating to, any claim (whether direct or derivative) of a breach of fiduciary duty by the Board (or any committee thereof), or by any director or by any stockholder, in connection with this Agreement and the transactions contemplated herein; provided, however, that the Indemnitees shall not be entitled to seek indemnification under this Section 9.11 until the aggregate amount of all Losses exceed $100,000 in the aggregate, and then the Indemnitees shall only be entitled to indemnification for Losses in excess of such amount; and provided, further, that the aggregate amount of all payments to which the Indemnitees shall be entitled to receive pursuant to this Section 9.11 shall in no event exceed the Purchase Price.

9.11.2. Without limiting the foregoing, in the event the Company incurs Losses arising out of, or related to, any Retained Risk, then Buyer shall be issued additional shares of Common Stock as compensation for such Losses based on the following formula:

AS = (LS*PBS)/1.08
"AS" means the total additional shares to be issued
"LS" means the Losses amount incurred with respect to a Retained Risk
"PBS" means the Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately following Closing, assuming full conversion of all Preferred Stock at Closing.

9.11.3. Provided, however, to the extent that such issuance would otherwise cause the Buyer's beneficial ownership of the Common Stock (as calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) would exceed 9.99%, such shares shall be held in abeyance by the Company for the benefit of the Buyer until such time that the Buyer is able, in its discretion, to receive such shares without exceeding such 9.99% limitation.

9.11.4. The term "**Retained Risk**" means each of the following:

9.11.4.1. Any Tax or other payment obligation by the Company under Section 280G of the Code by reason of the transactions contemplated herein[1].

9.11.4.2. Sales Tax obligations to the State of New York for periods prior to Closing paid after Closing in excess of $77,000;

9.11.4.3. Any Losses incurred by reason of any matter described in Schedule 2.15 of the Company's Disclosure Schedule[2].

9.11.4.4. Any amounts payable by the Company to any placement agent, financial or investment advisors, or brokers, relating to or arising out of the transactions contemplated by this Agreement, except for payment to (i) H.C. Wainwright & Co., LLC in an amount not to exceed 4% of Purchase Price, and (ii) payment to Fairmount Partners in an amount not to exceed $680,000.

9.11.4.5. Legal fees incurred by the Company through the Closing in connection with the transactions contemplated hereby, whether or not paid by the Company prior to the date hereof, in excess of $400,000.

9.11.4.6. Premiums in excess of $200,000 for tail insurance covering pre-Closing directors and officers of the Company.

9.12. Fees and Expenses. Except as otherwise provided in this Agreement, each party to this Agreement shall bear all fees and expenses incurred by such party in connection with, relating to or arising out of the negotiation, preparation, execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein, including

[1] For avoidance of doubt, excluding Dolev Rafaeli

[2] Dealing with exceptions to the Sarbanes-Oxley reps

financial advisors', attorneys', accountants' and other professional fees and expenses, whether or not the Closing shall have occurred; provided, that the Company shall reimburse Buyer for its legal, consulting, due diligence and administrative costs related to the transactions contemplated herein, including the reasonable legal fees, disbursements and related charges of Buyer's counsel (the "**Buyer's Fees and Expenses**") in an aggregate amount not to exceed twenty-five thousand dollars ($25,000) at the earliest of (i) the Closing, or (ii) the termination of this Agreement for any reason other than by reason of a breach of this Agreement by Buyer. Without limiting the generality of the foregoing, at Closing Buyer may set-off the Buyer's Fees and Expenses against the Purchase Price.

9.13. Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty. Each and every reference to share prices, shares of Common Stock and any other numbers in this Agreement that relate to the Common Stock shall be automatically adjusted for stock dividends, stock splits, stock combinations and other similar transactions that occur with respect to the Common Stock after the date of this Agreement.

9.14. Remedies. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the parties recognize that in the event any party fails to perform, observe, or discharge any or all of its obligations under the Transaction Documents, any remedy at law may prove to be inadequate relief to the other party. The parties agree therefore that either party shall be entitled to seek specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. Without limiting the generality of the foregoing, either party shall have the right to seek specific performance of this Agreement, including the Closing and the performance by the other party of all other actions contemplated herein.

9.15. Exercise of Right. No delay or omission to exercise any right, power, or remedy accruing to any party upon any breach or default of another party under this Agreement shall impair any such right, power, or remedy of such party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing or as provided in this Agreement. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[signature pages follow]

IN WITNESS WHEREOF, each of Buyer and the Company has caused its signature page to this Agreement to be duly executed as of the date first written above.

COMPANY:

STRATA SKIN SCIENCES, INC.

By: /s/ LuAnn Via
Name: LuAnn Via
Title: Chairperson

BUYER:

BROADFIN HEALTHCARE MASTER FUND, LTD.

By: /s/ Kevin Kotler
Name: Kevin Kotler
Title: Director

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EXHIBIT 10.3

SECURITIES PURCHASE AGREEMENT

BY AND BETWEEN

STRATA SKIN SCIENCES, INC.

AND

SABBY HEALTHCARE MASTER FUND, LTD.
SABBY VOLATILITY WARRANT MASTER FUND, LTD.

Dated as of March 30, 2018

SECURITIES PURCHASE AGREEMENT

This **SECURITIES PURCHASE AGREEMENT** (the "**Agreement**"), dated as of March 30, 2018, is entered into by and among (i) STRATA Skin Sciences, Inc., a Delaware corporation (the "**Company**"), and (ii) Sabby Healthcare Master Fund, Ltd. and Sabby Volatility Warrant Master Fund, Ltd. (collectively "**Buyer**").

RECITALS

A. The Company has outstanding shares of common stock, par value $0.001 per share (the "**Common Stock**"), which shares of Common Stock are currently traded on the Nasdaq Capital Market (the "**Principal Market**").

B. The Company and Buyer are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "**1933 Act**"), and Rule 506 of Regulation D ("**Regulation D**") as promulgated by the United States Securities and Exchange Commission (the "**SEC**") under the 1933 Act.

C. Buyer wishes to purchase, and the Company wishes to issue and sell, upon the terms and conditions stated in this Agreement, shares of Common Stock of the Company as further specified herein.

D. The Board of Directors of the Company (the "**Board**") has approved this Agreement, the other Transaction Documents, and the transactions contemplated hereby and thereby.

E. The defined terms contained herein are defined in the Index of Defined Terms attached hereto.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and Buyer hereby agree as follows:

1. PURCHASE AND SALE OF SECURITIES.

1.1. Purchased Shares. At the Closing, subject to the satisfaction (or waiver) of the conditions set forth in Section 6 and Section 7 below, the Company shall issue and sell to Buyer, and Buyer shall purchase from the Company, an aggregate of 925,926[1] shares of Common Stock of the Company (the "**Purchased Shares**") for an aggregate purchase price of one million

[1] Allocated 694,444 shares for Sabby Volatility and 231,482 shares for Sabby Master.

dollars ($1,000,000)[2] (the "**Purchase Price**"), reflecting a price per share of $1.08 (rounded up to nearest number of whole shares).

1.2. Closing. The closing (the "**Closing**") of the purchase of the Purchased Shares by Buyer as contemplated by this Agreement shall occur at the offices of Pepper Hamilton LLP, 1313 North Market Street, Suite 5100, Wilmington, Delaware 19801 or by an exchange of signature pages by fax or email, unless another place or method is agreed to by the Company and Buyer. The date and time of the Closing (the "**Closing Date**") shall be 10:00 a.m., New York time, on the first (1st) Business Day on which the conditions to the Closing set forth in Section 6 and Section 7 below are satisfied or waived (or such later date as is mutually agreed to by the Company and Buyer). As used herein, "**Business Day**" means any day other than a Saturday, Sunday or other day on which commercial banks in New York, New York are authorized or required by law to remain closed.

1.3. Payment of Purchase Price; Delivery of Security. On the Closing Date, (i) Buyer shall pay the Purchase Price to the Company for the Purchased Shares by wire transfer of immediately available funds in accordance with the Company's written wire instructions and (ii) the Company shall issue to Buyer the Purchased Shares registered in the name of Buyer, and evidenced by a stock certificate delivered at Closing in the manner set forth in Section 5.1.

2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

The Company represents and warrants to Buyer the matters set forth in this Section 2, as may be qualified by the corresponding section of the disclosure schedule delivered by the Company to Buyer (the "**Company Disclosure Schedule**"). These representations and warranties, and the information set forth in the Company Disclosure Schedule, are current as of the date of this Agreement, except to the extent that a representation, warranty or section of the Company Disclosure Schedule expressly states that such representation or warranty, or information in such section of the Company Disclosure Schedule, is current only as of an earlier date.

2.1. Organization and Qualification. The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware, and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company has no subsidiaries other than MTech India LLC and Photomedex India Private Limited (the "**Subsidiaries**"). Except as set forth in Schedule 2.1 of the Company Disclosure Schedule, each of the Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation (or formation, as applicable), and has the requisite power and authorization to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. The Company and each of the Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the

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[2] $1 million Broadfin, $750,000 Sabby Volatility, $250,000, Sabby Healthcare

extent that the failure to be so qualified or be in good standing would not have a Material Adverse Effect. "**Material Adverse Effect**" means any material adverse effect on (i) the business, properties, assets, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (ii) the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents; provided, however, that any effect, to the extent resulting from any of the following, in and of itself or themselves, shall not constitute, and shall not be taken into account in determining whether there has been or will be, a Material Adverse Effect: (i) changes in general economic, regulatory or political conditions or changes generally affecting the securities or financial markets; (ii) any actions, suits, claims, hearings, arbitrations, investigations or other proceedings relating to or arising out of this Agreement or the transactions contemplated by this Agreement by or before any governmental entity; (iii) a change in the market price or trading volume of the Common Stock; (iv) changes in general economic conditions or changes affecting the industry in which the Company operates generally (as opposed to Company-specific changes) so long as such changes do not have a disproportionate effect on the Company and its Subsidiaries taken as a whole; and (v) any implementation or adoption after the date hereof by a governmental authority of or changes or prospective changes in, applicable laws or accounting rules, including generally accepted accounting principles or interpretations thereof, or any changes or prospective changes in the interpretation or enforcement of any of the foregoing. The Subsidiaries are wholly owned directly or indirectly by the Company, the shares in the Subsidiaries are free and clear of any encumbrances and no Person other than the Company has any rights convertible or exercisable into equity interests in any of the Subsidiaries or has claimed any encumbrance in respect of the shares in the Subsidiaries. "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and a government or any department or agency thereof. The Company does not have any equity interest in (or any right convertible or exercisable into equity interest of) any entity other than the Subsidiaries. Neither of the Subsidiaries has any equity interest in (or any right convertible or exercisable into equity interest of) any other entity.

2.2. Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into, and perform its obligations under, this Agreement and the other Transaction Documents to which it is a party, and to issue the Purchased Shares in accordance with the terms hereof and thereof as applicable, subject to the receipt of the affirmative vote of the holders of a majority of the votes cast at the Company Stockholders Meeting (as defined in the Accelmed SPA) (the "**Company Stockholder Approval**"). The execution and delivery by the Company of this Agreement and the other Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, have been duly authorized by the Board and, other than the filing with the SEC of one or more Registration Statements (as defined in the Registration Rights Agreement) in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC and any other filings as may be required by any state securities agencies, no further filing, consent or authorization is required by the Company, the Board or its stockholders or other governing body, other than the Company Stockholder Approval. This Agreement has been, and the other Transaction Documents to which the Company is a party will be, upon delivery at the Closing, duly executed and delivered by the Company, and each constitutes, or when delivered in accordance with the terms hereof will constitute, the legal, valid and binding obligation of the

Company, enforceable against the Company in accordance with its respective terms, (i) except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies, (ii) except as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies and except as rights to indemnification and to contribution may be limited by federal or state securities law. "**Transaction Documents**" means, collectively, this Agreement, the Stockholders Undertakings (as defined in the Accelmed SPA), the Registration Rights Agreement, and each of the other agreements and instruments entered into or delivered by any of the parties hereto in connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

2.3. Issuance of Purchased Shares. The issuance of the Purchased Shares is (or will be prior to the Closing) duly authorized and, upon issuance in accordance with the terms of the Transaction Documents, will be validly issued, fully paid and non-assessable and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof. Subject to the accuracy of the representations and warranties of Buyer in this Agreement, the offer and issuance by the Company of the Purchased Shares is exempt from registration under the 1933 Act.

2.4. No Conflicts. Assuming receipt of the Company Stockholder Approval, the execution, delivery and performance by the Company of the Transaction Documents to which it is a party, and the consummation by the Company of the transactions contemplated hereby and thereby, will not (i) result in a violation of the Certificate of Incorporation of the Company, any capital stock of the Company or Bylaws of the Company, (ii) materially conflict with, or constitute a material default (or an event which with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material agreement, indenture or instrument to which the Company is a party, or (iii) assuming the accuracy of the representations and warranties of Buyer set forth herein, result in a violation of any law, rule, regulation, order, judgment or decree (including, without limitation, foreign, federal and state securities laws and regulations and the rules and regulations of the Principal Market) applicable to the Company or by which any property or asset of the Company is bound and which will have a Material Adverse Effect.

2.5. Consents. The Company is not required to obtain any consent from, authorization or order of, or make any filing or registration with (other than the filing with the SEC of one or more Registration Statements in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC, obtaining the Company Stockholder Approval, the consents required pursuant to Section **Error! Reference source not found.** of the Disclosure Schedule (all of which shall be obtained by the Company at or prior to Closing), the filings required pursuant to Section 4.8, and any other filings, notices or applications as may be required by any state securities agencies), any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its respective obligations under, or contemplated by, the Transaction Documents, in each case, in accordance with the terms hereof or thereof. Assuming the Company Stockholder Approval is obtained, there is no requirement for the Company to obtain approval of the Principal Market for listing or trading of the "**Registrable Securities**" (as defined in the Registration Rights Agreement) which constitute Common Stock.

2.6. Acknowledgment Regarding Buyer's Purchase of Purchased Shares. The Company acknowledges and agrees that Buyer is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated hereby and thereby and that Buyer is not (i) an officer or director of the Company, (ii) an "affiliate" (as defined in Rule 144) of the Company or (iii) to its Knowledge, a "beneficial owner" of more than 10% of the shares of Common Stock (as defined for purposes of Rule 13d-3 of the Exchange Act of 1934 as amended (the "**1934 Act**")). The Company further acknowledges that Buyer is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated hereby and thereby, and any advice given by Buyer or any of its representatives or agents in connection with the Transaction Documents and the transactions contemplated hereby and thereby is merely incidental to Buyer's purchase of the Purchased Shares. The Company further represents to Buyer that the Company's decision to enter into the Transaction Documents to which it is a party has been based solely on the independent evaluation by the Company and its representatives.

2.7. No General Solicitation; Placement Agent's Fees. Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Purchased Shares. The Company shall be responsible for the payment of any placement agent's fees, financial advisory fees, or brokers' commissions (other than for Persons engaged by Buyer or its investment advisor) relating to or arising out of the transactions contemplated hereby. The Company has not engaged any placement agent or other agent in connection with the offer or sale of the Purchased Shares.

2.8. No Integrated Offering. None of the Company or any of its affiliates, nor any Person acting on its behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Purchased Shares under the 1933 Act, whether through integration with prior offerings or otherwise. None of the Company, its affiliates nor any Person acting on its behalf will take any action or steps that would require registration of the issuance of any of the Purchased Shares under the 1933 Act or cause the offering of any of the Purchased Shares to be integrated with other offerings of securities of the Company.

2.9. Application of Takeover Protections; Rights Agreement. The Company and the Board have taken all necessary action in order to render inapplicable any control share acquisition, interested stockholder, business combination, poison pill (including, without limitation, any distribution under a rights agreement) or other similar anti-takeover provision under the laws of any jurisdiction applicable to the Company, the Certificate of Incorporation, Bylaws or other organizational documents, or otherwise, which is or could become applicable to Buyer as a result of the transactions contemplated by this Agreement, including, without limitation, the Company's issuance of the Purchased Shares and Buyer's ownership of the Purchased Shares. Without limiting the generality of the foregoing, the Board has approved Buyer becoming an "interested stockholder" within the meaning of Section 203 of Delaware General Corporation Law as a result of the transactions contemplated by this Agreement. The Company does not have any stockholder rights plans or similar arrangements relating to accumulations of beneficial ownership of shares of Common Stock or a change in control of the Company.

2.10. SEC Documents; Financial Statements. Except as set forth on Section 2.10 of the Company Disclosure Schedule, since December 31, 2016, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the 1934 Act or has received an extension of such time of filing (all of the foregoing filed prior to the date hereof and all exhibits and appendices included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "**SEC Documents**"). The Company has delivered to Buyer or its representatives true, correct and complete copies of each of the SEC Documents not available on the EDGAR system. As of their respective dates, each of the SEC Documents complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state 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. As of their respective dates, the financial statements of the Company included in the SEC Documents complied in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto as in effect as of the time of filing. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude the footnotes or may be condensed or summary statements) and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material, either individually or in the aggregate).

2.11. Absence of Certain Changes. Except as set forth in Section 2.11 of the Company's Disclosure Schedule, Since the date of the Company's most recent audited financial statements contained in a Form 10-K, except as disclosed in the SEC Documents filed subsequent to such Form 10-K, there has been no Material Adverse Effect. Since the date of the Company's most recent audited financial statements contained in a Form 10-K, the Company has not (i) declared or paid any dividends, (ii) sold any assets outside of the ordinary course of business or (iii) made any material capital expenditures, individually or in the aggregate, outside of the ordinary course of business. The Company has not taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up, nor does the Company have any Knowledge or reason to believe that any of its creditors intend to initiate involuntary bankruptcy proceedings or, except as set forth in Section 2.11 of the Company's Disclosure Schedule, any actual Knowledge of any fact which would reasonably lead a creditor to do so. After giving effect to the transactions contemplated hereby to occur at or prior to the Closing, (i) the Company will not be Insolvent and (ii) the Company has not engaged in any business or in any transaction, and the Company is not about to engage in any business or in any transaction, for which the Company's remaining assets constitute unreasonably small capital.

"**Insolvent**" means, (i) the present fair saleable value of the Company's assets is less than the amount required to pay the Company's total Indebtedness, (ii) the Company is unable to pay its

debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured or (iii) the Company has current plans to incur or believes that it will incur debts that would be beyond its ability to pay as such debts mature. "**Indebtedness**" means, with respect to any Person, without duplication, (i) all obligations of such Person for borrowed money, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all guarantees and arrangements having the economic effect of a guarantee of such Person of any other Indebtedness of any other Person, (iv) obligations under letters of credit, bank guarantees and other similar contractual obligations entered into by or on behalf of such Person (in each case whether or not drawn, contingent or otherwise), (v) liabilities related to the deferred purchase price of property or services (including any earn-outs, contingent payments, seller notes or other similar obligations in connection with the acquisition of a business) other than those trade payables and accrued expenses incurred in the ordinary course of business, (vi) liabilities pursuant to capitalized leases to the extent required to be capitalized under generally accepted accounting principles, and (vii) net liabilities arising out of interest rate and currency swap arrangements and any other arrangements designed to provide protection against fluctuations in interest or currency rates. On the Closing Date, except as set forth on Schedule 2.13 of the Company's Disclosure Statement, the Company and the Subsidiaries will not have any Indebtedness or other liabilities other than Indebtedness and liabilities (i) set forth in the last Quarterly Report on Form 10-Q filed by the Company with the SEC, or (ii) meeting both of the following conditions: (A) such Indebtedness or liabilities arose after the date of filing with the SEC of the Company's last Quarterly Report on Form 10-Q, and (A) were incurred in the ordinary course of business of the Company and the Subsidiaries and in compliance with the covenants and agreements of the Company contained herein.

2.12. No Undisclosed Events, Liabilities, Developments or Circumstances. To the Company's Knowledge, no event, liability, development or circumstance has occurred or exists with respect to the Company, any of the Subsidiaries, or any of their respective businesses, properties, liabilities, prospects, operations (including results thereof) or condition (financial or otherwise) that (i) would be required to be disclosed by the Company under applicable securities laws on a Registration Statement on Form S-1 filed with the SEC relating to an issuance and sale by the Company of its Common Stock and which has not been publicly announced, or (ii) would reasonably likely to have a Material Adverse Effect.

2.13. Conduct of Business; Regulatory Permits. The Company is not in violation of any term of or in default under its Certificate of Incorporation, any certificate of designation, or Bylaws. Except as would not have a Material Adverse Effect or as described in the NASDAQ Letters (as defined below), to the Company's Knowledge, neither the Company nor any of the Subsidiaries is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to the Company or to such Subsidiary, and neither the Company nor any of the Subsidiaries will conduct its business in violation of any of the foregoing. Without limiting the generality of the foregoing, except as described in the NASDAQ Letters, the Company is not in violation of any of the rules, regulations or requirements of the Principal Market and has no Knowledge of any facts or circumstances that could reasonably lead to suspension of the Common Stock by the Principal Market in the foreseeable future. Since January 1, 2017, (i) the Common Stock has been designated for quotation on the Principal Market, (ii) trading in the Common Stock has not been suspended by the SEC or the Principal Market and (iii) except as described in the NASDAQ Letters, the Company has received no communication, written or

oral, from the SEC or the Principal Market regarding the suspension of the Common Stock from the Principal Market. Each of the Company and the Subsidiaries possesses all certificates, authorizations and permits issued by the appropriate regulatory authorities necessary to conduct its businesses, except where the failure to possess such certificates, authorizations or permits would not have, individually or in the aggregate, a Material Adverse Effect, and the Company has not received any written or oral notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit. The "**NASDAQ Letters**" means the letters dated as of April 27, 2016 and October 25, 2016, delivered by the Principal Market to the Company.

2.14. Foreign Corrupt Practices. Neither the Company nor any of the Subsidiaries nor, to the Company's Knowledge, any director, officer, agent, employee or other Person acting on behalf of the Company or any of the Subsidiaries (as applicable) has, in the course of its actions for, or on behalf of, the Company or any of the Subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

2.15. Sarbanes-Oxley Act. Except as set forth on Schedule 2.15 of the Company's Disclosure Schedule, The Company is in compliance in all material respects with all applicable requirements of the Sarbanes-Oxley Act of 2002 and all applicable rules and regulations promulgated by the SEC thereunder.

2.16. Transactions With Affiliates. Except as set forth in the SEC Documents and other than the Transaction Documents, except as set forth on Schedule 2.16of the Company's Disclosure Statement, none of the officers or directors of the Company, and to the Company's Knowledge, none of the employees or affiliates of the Company is presently a party to any transaction with the Company (other than for ordinary course services as employees, officers or directors and immaterial transactions), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director, employee or affiliate or, to the Knowledge of the Company, any corporation, partnership, trust or other Person in which any such officer, director, employee or affiliate has a substantial interest or is an employee, officer, director, trustee or partner, in each case that would be required to be disclosed pursuant to Regulation S-K promulgated under the 1933 Act.

2.17. Equity Capitalization. As of the date hereof, the authorized capital stock of the Company consists solely of (a) 150,000,000 shares of Common Stock, $0.001 par value, of which 4,379,425 are issued and outstanding and (b) 10,000,000 shares of preferred stock, $0.10 par value, of which (i) 12,300 of which are designated series A Convertible Preferred Stock, of which 0 are issued and outstanding, (ii) 12,300 of which are designated series B Convertible Preferred Stock, of which 0 are issued and outstanding, and (iii) 40,617 of which are designated series C Convertible Preferred Stock, of which 35,981 are issued and outstanding. No shares of Common Stock are held in treasury. All of such outstanding shares are duly authorized and have

been validly issued and are fully paid and non-assessable. 5,784 shares of the Company's issued and outstanding Common Stock on the date hereof are owned by Persons who are "affiliates" (as defined in Rule 405 of the 1933 Act and calculated based on the assumption that only officers, directors and holders of at least 10% of the Company's issued and outstanding Common Stock are "affiliates" without conceding that any such Persons are "affiliates" for purposes of federal securities laws) of the Company. Except as set forth on Section 2.17 of the Company Disclosure Schedule or pursuant to the Transaction Documents: (i) to the Company's Knowledge, no Person owns 10% or more of the Company's issued and outstanding shares of Common Stock (calculated based on the assumption that all convertible securities, whether or not presently exercisable or convertible, have been fully exercised or converted (as the case may be) taking account of any limitations on exercise or conversion (including "blockers") contained therein without conceding that such identified Person is a 10% stockholder for purposes of federal securities laws); (ii) the Company's capital stock is not subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company; (iii) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any capital stock of the Company, or contracts, commitments, understandings or arrangements by which the Company is or may become bound to issue any capital stock of the Company; (iv) there are no outstanding debt securities, credit agreements, credit facilities or other agreements, documents or instruments evidencing Indebtedness of the Company or by which the Company is or may become bound; (v) there are no financing statements securing obligations in any amounts filed in connection with the Company with respect to any outstanding Indebtedness; (vi) there are no agreements or arrangements under which the Company is obligated to register the sale of any of their securities under the 1933 Act (except pursuant to the Registration Rights Agreement); (vii) there are no outstanding securities or instruments of the Company which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which the Company is or may become bound to redeem a security of the Company; (viii) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Purchased Shares; (ix) the Company has no stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (x) the Company does not have any liabilities or obligations required to be disclosed in the SEC Documents which are not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company's business and which does not or would not reasonably be expected to have a Material Adverse Effect. The Company has furnished to Buyer true, correct and complete copies of the Company's Amended and Restated Certificate of Incorporation, as amended and as in effect on the date hereof (the "**Certificate of Incorporation**"), and the Company's Amended and Restated Bylaws, as amended and as in effect on the date hereof (the "**Bylaws**"), and the terms of all securities convertible into, or exercisable or exchangeable for, shares of Common Stock and the material rights of the holders thereof in respect thereto.

2.18. Indebtedness and Other Contracts. Except as set forth on Schedule 2.18 of the Company's Disclosure Schedule, the Company is not in violation of any term of, or in default under, any contract, agreement or instrument relating to any Indebtedness, except where such violations and defaults would not result, individually or in the aggregate, in a Material Adverse Effect. Except as disclosed in the SEC Documents, the Company (i) does not have any material outstanding Indebtedness or other material obligations and (ii) is not a party to any contract,

agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument would reasonably be expected to result in a Material Adverse Effect.

2.19. Absence of Litigation. There is no action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, government agency, self-regulatory organization or body pending or, to the Knowledge of the Company, threatened against or affecting the Company, the Common Stock or any of the Company's officers or directors which would be reasonably likely to adversely affect the transactions contemplated by this Agreement or would require disclosure in the SEC Documents, except as otherwise disclosed in the SEC Documents or as set forth on Section 2.19 of the Company Disclosure Schedule. There has not been, and to the Knowledge of the Company, there is not pending or contemplated, any investigation by the SEC involving the Company or any current or former director or officer of the Company. The SEC has not issued any stop order or other order suspending the effectiveness of any Registration Statement filed by the Company under the 1933 Act or the 1934 Act.

2.20. Insurance. The Company and the Subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as management of the Company believes to be prudent and customary in the businesses in which the Company is engaged. The Company has not been refused any insurance coverage sought or applied for, and the Company has no reason to believe that it will be unable to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect.

2.21. Employee Relations. Neither the Company nor any of the Subsidiaries is a party to any collective bargaining agreement nor, to the Company's Knowledge, does it employ any member of a union and there are no works councils or similar representative bodies within the Company or any of the Subsidiaries. The Company and each Subsidiary is in compliance in all material respects with its wage payment obligations to current and former employees and with its obligations to make tax-related deductions or withholdings from such wages. To the Company's Knowledge, except as would not have a Material Adverse Effect, since January 1, 2015, there has not been any workplace accident, illness or injury suffered by any employee or independent contractor of the Company or any of the Subsidiaries that is not fully recovered or recoverable by insurance and that is likely to give rise to any liability by the Company or any of the Subsidiaries to such current or former employee, independent contractor of the Company or any of the Subsidiaries. No current executive officer (as defined in Rule 501(f) promulgated under the 1933 Act) of the Company or any of the Subsidiaries has notified the Company or any of the Subsidiaries that such officer intends to leave the Company or any of the Subsidiaries or otherwise terminate such officer's employment with the Company or any of the Subsidiaries. No current executive officer of the Company or any of the Subsidiaries is, to the Company's Knowledge, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, with the Company or a Subsidiary, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. Except as described in the SEC Documents or as set forth Schedule 2.21 of the Company's Disclosure

Schedule, there are no pending legal claims or, to the Company's Knowledge, threatened legal claims, asserted by any current or former employee of the Company or any of the Subsidiaries against the Company or any of the Subsidiaries, in each case, except as would not reasonably be likely to result in a Material Adverse Effect. The Company and each of the Subsidiaries is in compliance in all material respects with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect. Except as set forth in the SEC Documents or as set forth in Schedule 2.21 of the Company's Disclosure Schedule or as would not, individually or in the aggregate, have a Material Adverse Effect, neither the Company nor any of the Subsidiaries has entered into or made: (i) any agreement currently in effect to make any payment or to grant any loan or advance to any employee other than in respect of salary or standard benefits; (ii) any agreement currently in effect with any employee that provides that a change of control or a change of the management of the Company or any Subsidiary shall entitle such employee to any payment or benefit whatsoever or entitling him to treat himself as redundant or otherwise dismissed or released from any obligation; (iii) any agreement currently in effect imposing an obligation on the Company or any Subsidiary to change any terms of employment or working conditions or to increase the rates of remuneration or to make any bonus or incentive payments or any benefits in kind to any of its employees at any future date nor has the Company or any Subsidiary announced or proposed any such agreement; or (iv) any offer of an employment agreement to any person that is outstanding.

2.22. Pensions. Except as set forth in Section 2.22 of the Company Disclosure Schedule, neither the Company nor the Subsidiaries have obligations in respect of any retirement benefits (including any pre-pension, early retirement or similar benefits payable on or following retirement, termination of employment, disability or death) for or in respect of any present or former employee or managing director of the Company or any Subsidiary, and/or their spouses or dependents.

2.23. Personal Property. Except as set forth in Section 2.23 of the Company Disclosure Schedule, each of the Company and the Subsidiaries has good and marketable title to its personal property owned by it which is material to the business of the Company, in each case, free and clear of all liens, encumbrances and defects except such as would not have a Material Adverse Effect.

2.24. Real Property.

2.24.1. Neither the Company nor any of the Subsidiaries owns any real property or has the obligation to acquire title to any real property.

2.24.2. Any real property and facilities held under lease by the Company or any of the Subsidiaries (the "**Company Real Property**") are held by it under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company or any Subsidiary, as the case may be.

2.24.3. Except as would not, individually or in the aggregate, have a Material Adverse Effect:

2.24.3.1. There are no liens or encumbrances affecting the Company Real Property.

2.24.3.2. The current use of the Company Real Property complies with every prevailing zoning plan and planning permission.

2.24.3.3. No real property used or occupied by the Company or any of the Subsidiaries, including the Company Real Property, is polluted or contains or has contained asbestos.

2.24.3.4. The Company and the Subsidiaries have observed the terms and conditions of the leases of the Company Real Property and none of the Company or any of the Subsidiaries received a complaint regarding any alleged breach of any such terms or conditions.

2.24.4. No obligation exists for the Company or any Subsidiary to restore the Company Real Property in its original state.

2.25. Intellectual Property Rights.

2.25.1. The Company and its Subsidiaries own, or possess adequate rights or licenses to use, all trademarks, trade names, service marks, service mark registrations, service names, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights necessary or material for use in their respective businesses as now conducted (the "**Company Intellectual Property**").

2.25.2. Except as set forth on Section 2.25.2 of the Company Disclosure Schedule, neither the Company nor any Subsidiary has assigned or licensed any Company Intellectual Property to any third party. Except as set forth in the SEC Documents, the Company has not received any written notice or claim challenging the ownership or possession of its rights to use the Company Intellectual Property, or suggesting that any other Person has any claim of legal or beneficial ownership with respect thereto. Except as set forth in the SEC Documents, the Company has not received any written notice challenging, terminating, amending, or affecting the interest of the Company in the Company Intellectual Property.

2.25.3. The Company has taken all necessary actions deemed commercially reasonable by the Company to maintain and protect the Company Intellectual Property including, if and when applicable and required, the secrecy or confidentiality thereof, to the extent any such actions may be taken by the Company. Except as would not have a Material Adverse Effect, all applicable filing, examination, maintenance and legal fees due as of the date hereof in connection with the Company Intellectual Property have been paid in full.

2.25.4. Except as set forth in the SEC Documents or as set forth on Schedule 2.25.4 of the Company's Disclosure Schedule, the Company has not received written notice of a claim, nor does the Company have any Knowledge that any of the Company Intellectual Property is invalid, unenforceable, or misused. As used in this Agreement, the term

"**Knowledge**" of an entity means the knowledge of any director, officer, general partner or manager of such entity, including Knowledge that could have been obtained by any such director, officer, general partner or manager of the entity following reasonable investigation of the relevant matter.

2.25.5. No Company Intellectual Property licensed to the Company, and, to the Knowledge of the Company, no intellectual property licensed by the Company is involved in any interference, reissue, reexamination, opposition or cancellation proceeding or any other litigation or proceeding of any kind in the United States or in any other jurisdiction.

2.25.6. Except as set forth on Section 2.25.6 of the Company Disclosure Schedule, to the Knowledge of the Company, no third party has, will be or currently is infringing, misappropriating, diluting or otherwise misusing any of the Company Intellectual Property.

2.25.7. To the Knowledge of the Company, the transactions contemplated by this Agreement shall have no adverse effect on the right, title and interest of the Company and in and to Company Intellectual Property.

2.25.8. Except as disclosed to Buyer in writing prior to the date hereof, all current employees and consultants of the Company have signed agreements (for the benefit of the Company) containing confidentiality provisions and invention assignment provisions.

2.25.9. Except as set forth in the SEC Documents, the Company has not received any written communications alleging, nor does the Company have any Knowledge, that it has violated or, by conducting its business as currently conducted is currently violating any of the intellectual property rights of any other Person. To the Company's Knowledge, it is not necessary to the business, as currently conducted, to obtain any other intellectual property rights from any third Person other than those which are owned by or licensed to the Company or are in the public domain.

2.25.10. To the Company's Knowledge and except as would not result in a Material Adverse Effect, it is not necessary to the business, as currently conducted, to utilize any intellectual property of any of its employees of the Company made prior to their employment by the Company, except for inventions, trade secrets or proprietary information that have been assigned or licensed to the Company.

2.25.11. Since the last filing by the Company of its Form 10-K through the EDGAR system, there has not been any sale, assignment or transfer of ownership interest in any Company Intellectual Property or other intangible assets of the Company.

2.26. FDA. Except as set forth in the SEC Documents or as set forth on Section 2.26 of the Company Disclosure Schedul

2.26.1. As to each product subject to the Food and Drug Administration ("**FDA**"), any EU Regulatory Entity or any comparable foreign laws, rules and regulations (such laws and regulations, "**Medical Regulations**") that has been developed, manufactured, tested, distributed and/or marketed by or on behalf of the Company or the Subsidiaries (each such

product, a "**Company Product**"), each such Company Product has been developed, manufactured, tested, distributed and marketed in compliance in all material respects with all applicable requirements under the Medical Regulations, including those relating to registration and listing, good manufacturing practice requirements, quality systems regulations, labeling, advertising, record keeping and filing of required reports and security. Except as set forth on Section 2.26.1 of the Company Disclosure Schedule, the Company or the Subsidiaries have not received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring the termination, suspension or modification of any, preclinical or clinical studies or tests or alleging a violation of any applicable Medical Regulations with all preclinical and clinical trials, Company Products or proposed products. For purposes of this Section 2.25, "EU Regulatory Entity" means (a) the body which has the authority to act on behalf of a European Union (EU) member state to ensure that the requirements of applicable medical device directives are carried out in that particular member state (a "**Competent Authority**"), (b) a certification organization which the Competent Authority of an EU member state designates to carry out one or more of the conformity assessment procedures according to the medical device directives, and (c) other comparable governmental or non-governmental regulatory entities of an EU member state.

2.26.2. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, the Company and the Subsidiaries have not had any Company Product or manufacturing site subject to a governmental entity (including FDA or any EU Regulatory Entity) shutdown or import or export prohibition, nor received any notice of inspectional observations, "warning letters," "untitled letters" or, to the Knowledge of the Company, requests or requirements to make changes to the operations of the Company's business or the Company Products that if not complied with would reasonably be expected to materially adversely affect the operations of the Company's business, or similar correspondence or written notice from the FDA, an EU Regulatory Entity or other governmental entity in respect of the Company's business and alleging or asserting noncompliance with any applicable Medical Regulations, laws, governmental permits or such requests or requirements of a governmental entity, and, to the Knowledge of the Company, none of the FDA, any EU Regulatory Entity or any other governmental entity is considering such action. No Company Product or other safety report with respect to the Company or the Company Products has been reported by the Company, and to the Knowledge of the Company, no Company Product or other safety report is under investigation by any governmental entity with respect to the Company Products or the Company's business. Except as set forth in Schedule 2.26.2 of the Company's Disclosure Schedule, neither the Company nor the Subsidiaries have received any written notices from the FDA, any EU Regulatory Entity or any other governmental agency or third party requiring termination, suspension or modification of any preclinical or clinical studies or tests or alleging a violation of any applicable laws or regulations in connection with all preclinical and clinical trials, Company Products or proposed products.

2.26.3. The Company and the Subsidiaries have filed or caused to be filed all required notices and other reports, including adverse experience reports, with respect to all preclinical and clinical trials with respect to the Company Products, except where such failure to file would not have a Material Adverse Effect.

2.26.4. The Company and the Subsidiaries, or its designated agents, own or have the right to use all regulatory documents, including all correspondence and reports made to governmental authorities, with respect to the Company Products or currently proposed products of the Company, except whether the failure to own or use such documents would not have a Material Adverse Effect.

2.26.5. Neither the Company nor any of the Subsidiaries, nor to the Company's Knowledge, any Person that manufactures, tests or distributes any Company Product on behalf of the Company has made with respect to any Company Product, an untrue statement of a material fact or fraudulent statement to the FDA, any EU Regulatory Entity or any other state or foreign regulatory authority or failed to disclose a material fact required to be disclosed to the FDA, any EU Regulatory Unit or any other state or foreign regulatory authority.

2.26.6. The Company has not, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has, engaged in any conduct for which debarment is mandated by 21 U.S.C. §335a(a) or any similar state or foreign law or regulation or authorized by 21 U.S.C. §335a(b) or any similar state or foreign law or regulation.

2.26.7. Where and when applicable, the Company has been, and has not received written notice that any Person that manufactures, tests or distributes any Company Product or proposed product on behalf of the Company has not been, in substantial compliance with the Medicare Anti-Kickback Statute, 42 U.S.C. §1320a-7b(b) and implementing regulations codified at 42 C.F.R. §1001 and with all similar state or foreign laws and regulations.

2.27. Healthcare Matters. Each of the Company and the Subsidiaries and the operations thereof are and have been in compliance in all material respects with all Healthcare Laws. "**Healthcare Laws**" means all legal requirements and government orders governing, regulating, restricting or relating or pertaining to the manufacturing, testing, distribution, sale, marketing or advertising, ordering or referring of, or the billing, coding or payment for, medical devices that are applicable to the business of Company or the Subsidiaries, including without limitation all (i) statutes, rules, regulations and other legal requirements governing the operation and administration of Medicare, Medicaid or other government healthcare programs, (ii) the federal Anti-Kickback Statute (42 U.S.C. § 1320a-7b), the federal Stark Law (42 U.S.C. § 1395nn), the federal civil False Claims Act (31 U.S.C. §§ 3729 *et seq*.), the federal Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), the federal Exclusion Laws (42 U.S.C. § 1320a-7), the Federal Health Care Fraud Law (18 U.S.C. § 1347) and or any comparable U.S., European Union, or other foreign laws, rules and regulations relating to self-referral, anti-kickback, illegal remuneration, fraud and abuse or the defrauding of or making or presenting of any false claim, false statement or misrepresentation of material facts to any federal government programs or other third-party payor, (iii) to the extent not otherwise defined as Medical Regulations in Section 2.26.1 of this Agreement, the Federal Food, Drug and Cosmetic Act, as amended, and the rules and regulations of the U.S. Food and Drug Administration, and comparable laws, rules or regulations of any EU Regulatory Entity or other state or foreign regulatory body, (iv) laws pertaining to the privacy or security of protected health information within the meaning of the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (1996) ("HIPAA"), the Health Information Technology for Economic and Clinical Health Act, enacted

as Title XIII of the American Recovery and Reinvestment Act of 2009, Public Law 111-005 (2009) ("HITECH"), and similar privacy laws, and (v) all applicable rules and regulations promulgated under, and state, local and foreign legal requirements that address the subject matter of, any of the foregoing.

2.27.1. There is, and has been, no action pending, or, to Company's Knowledge, any action threatened in writing, alleging noncompliance with any Healthcare Law by any of (i) the Company, (ii) the Subsidiaries or (iii) their respective members, shareholders, owners, directors, managers, officers, employees, or to Company's Knowledge, independent contractors or agents, relating to the business of the Company or the Subsidiaries, except such as would not reasonably be likely to result in a Material Adverse Effect. None of the Company or the Subsidiaries has received or been served in the last five (5) years with any search warrant, subpoena, civil investigative demand, contact letter or other written notice from any governmental authority or governmental or private third-party payor alleging any or relating to any alleged material violation by any of the Company of the Subsidiaries of any Healthcare Law.

2.27.2. None of the Company or the Subsidiaries is or has been: (i) excluded, debarred or suspended from participation in any governmental healthcare program or other third-party payor plan or program, or any federal or state governmental procurement or non-procurement program; (ii) convicted of any criminal offenses relating to the delivery of an item or service under any governmental healthcare program or other third-party payor plan or program, fraud, theft, embezzlement, breach of fiduciary responsibility or other financial misconduct in connection with the delivery of a healthcare item or service or with respect to any act or omission under any governmental healthcare program or other third-party payor plan or program, or interference with or obstruction of any investigation into any criminal offense; (iii) subject to any governmental order of, or any criminal, civil or administrative fine, assessment or penalty imposed by, any governmental authority with respect to any governmental healthcare program or other third-party payor plan or program; nor (iv) party to any corporate integrity agreement, deferred prosecution agreement or similar agreement, or subject to any reporting obligations relating to the provision of any healthcare goods or services or the payment therefor pursuant to any settlement agreement, with the Office of the Inspector General, U.S. Department of Health and Human Services, U.S. Department of Justice or other governmental authority; nor is any of the foregoing pending or, to the Company's Knowledge, threatened.

2.28. Environmental Laws. Each of the Company and the Subsidiaries (i) is in compliance with all Environmental Laws, (ii) has received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct its businesses and (iii) is in compliance with all terms and conditions of any such permit, license or approval where, in each of the foregoing clauses (i), (ii) and (iii), the failure to so comply would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect. "**Environmental Laws**" means all federal, state, local or foreign laws relating to pollution or protection of human health or the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata), including, without limitation, laws relating to emissions, discharges, releases or threatened releases of chemicals, pollutants, contaminants, or toxic or hazardous substances or wastes (collectively, "**Hazardous Materials**") into the environment, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as well as all

authorizations, codes, decrees, demands or demand letters, injunctions, judgments, licenses, notices or notice letters, orders, permits, plans or regulations issued, entered, promulgated or approved thereunder.

2.29. Product Liability and Warranty. Except as set forth on Section 2.29 of the Company Disclosure Schedule. each product or service sold, manufactured, designed, packaged, distributed, leased, provided or otherwise delivered by the Company or the Subsidiaries has been in conformity, in all material respects, with all applicable laws, contractual commitments and all express and implied warranties, and neither the Company or any of the Subsidiaries has any material liability (and, to the Company's Knowledge, there is no, basis for any, present or future action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand against, or recall by, the Company) for replacement or repair of any such products or services or other damages in connection therewith. Except as set forth on Section 2.29 of the Company Disclosure Schedule, to the Company's Knowledge, there is no, basis for any, present or future action against the Company giving rise to any material liability, arising out of product liability obligations or claims, or any injury to Person or property, in each case as a result of the ownership, possession or use of a product or service manufactured, sold, designed, packaged, distributed, leased, delivered or provided by the Company.

2.30. Data Privacy. In connection with its collection, storage, transfer (including, without limitation, any transfer across national borders) and/or use of any personally identifiable information from any individuals, including, without limitation, any customers, prospective customers, employees and/or other third parties (collectively "**Personal Information**"), the Company and the Subsidiaries are and have been, to the Company's Knowledge, in compliance in all material respects with all applicable laws in all relevant jurisdictions, the Company's privacy policies and the requirements of any contract or codes of conduct to which the Company is a party. The Company and the Subsidiaries have commercially reasonable physical, technical, organizational and administrative security measures and policies in place to protect all Personal Information collected by it or on its behalf from and against unauthorized access, use and/or disclosure. The Company and the Subsidiaries have been, to the Company's Knowledge, in compliance in all material respects with all laws relating to data loss, theft and breach of security notification obligations.

2.31. Tax Status. Except as set forth on Section 2.31 of the Company Disclosure Schedule and except as would not reasonably be likely to result in a Material Adverse Effect on the Company and its Subsidiaries:

2.31.1. The Company and the Subsidiaries (i) have filed all non-U.S., U.S. federal, state, local and other income and other material tax returns, reports and declarations required by any jurisdiction to which the Company and any of its Subsidiaries are subject ("**Tax Returns**") (and each such Tax Return is correct and complete in all material respects), (ii) have timely paid all income and other material taxes, governmental assessments and charges due ("**Taxes**") (whether or not shown on any Tax Return), other than any such Taxes being contested in good faith by appropriate proceedings, and (iii) have set aside adequate reserves in accordance with generally accepted accounting principles for Taxes being contested as described in clause (ii).

2.31.2. The Company and its Subsidiaries have not received written notice of unpaid Taxes in any material amount claimed to be due by the taxing authority of any jurisdiction.

2.31.3. There is no action, audit, dispute or claim now pending, or proposed or threatened in writing, against or with respect to the Company or any of its Subsidiaries with respect to Taxes.

2.31.4. No written claim has been made by a taxing authority in a jurisdiction where any of the Company or its Subsidiaries do not file tax returns that any of them is or may be subject to taxation by that jurisdiction.

2.31.5. There are no liens on any of the stock or assets of any of the Company or its Subsidiaries with respect to Taxes (other than for Taxes not yet due and payable or for which adequate reserves are provided for in the SEC Documents).

2.31.6. Each of the Company and its Subsidiaries (i) has withheld and timely paid all material taxes required to have been withheld and paid, (ii) is not subject to a waiver of any statute of limitations in respect of Taxes or any extension of time with respect to a [material] Tax assessment or deficiency that is still in effect, and (iii) is not subject to any private ruling or closing agreement with a taxing authority, and (iv) is not a party to a tax allocation or sharing agreement (other than any agreement solely among the Company and its Subsidiaries and other than the indemnification and gross-up provision of the Company's credit facilities and similar provisions of any other agreement entered into in the ordinary course of business (e.g., leases), the principal purpose of which is not related to taxes).

2.31.7. None of the Company or its Subsidiaries has liability for the Taxes of another person (other than the Company or its Subsidiaries) as transferee or successor, by contract or pursuant to law.

2.31.8. Except for any taxable period (or portion thereof) ending after the Closing Date as a result of any intercompany transaction, excess loss account, prepaid amount, cancellation of indebtedness income, or change of accounting method, except to the extent that the liability or inclusion of income, as applicable, would not result in a Material Adverse Effect.

2.31.9. No Subsidiary [other than Photomedex India Private Limited] is a foreign entity, and the Company does not own any record or beneficial interest in any other foreign entity.

2.32. Internal Accounting and Disclosure Controls. Except as provided in Section 2.32 of the Company Disclosure Schedule, the Company maintains internal control over financial reporting (as such term is defined in Rule 13a-15(f) under the 1934 Act) that is sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain asset and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and

liabilities at reasonable intervals and appropriate action is taken with respect to any difference. The Company maintains disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the 1934 Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the 1934 Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. Except as set forth in Section 2.32 of the Company's Disclosure Schedule, the Company has not received any notice or correspondence from any accountant or other Person relating to any potential material weakness or significant deficiency in any part of the internal controls over financial reporting of the Company. There are no material disagreements presently existing, or reasonably anticipated by the Company to arise, between the accountants and lawyers presently employed by the Company.

2.33. Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off-balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed or that otherwise would be reasonably likely to have a Material Adverse Effect.

2.34. Investment Company Status. The Company is not, and upon consummation of the sale of the Purchased Shares will not be, an "investment company," an affiliate of an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

2.35. Acknowledgement. The Company acknowledges that sales of shares of Common Stock by Buyer following the effectiveness of the Registration Statement or pursuant to Rule 144 or otherwise pursuant to an exemption from registration may reduce the price of the Common Stock. None of the foregoing shall constitute a breach of this Agreement or any other obligation of Buyer.

2.36. Manipulation of Price. The Company has not, and, to the Knowledge of the Company, no Person acting on its behalf has, directly or indirectly, (i) taken any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Purchased Shares, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Purchased Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

2.37. U.S. Real Property Holding Corporation. The Company is not and has not ever been a U.S. real property holding corporation within the meaning of Section 897 of the Code, and the Company shall so certify upon Buyer's request.

2.38. Registration Eligibility. The Company is eligible to register the resale of the Purchased Shares by Buyer on Form S-3.

2.39. Transfer Taxes. On the Closing Date, all stock transfer or other taxes (other than income or similar taxes) which are required to be paid in connection with the issuance, sale and transfer of the Purchased Shares to be sold to Buyer hereunder will be, or will have been, fully paid or provided for by the Company, and the Company shall file any Tax Returns required to be filed with respect to such taxes.

2.40. Shell Company Status. The Company is not, and has never been, an issuer identified in, or subject to, Rule 144(i).

2.41. Illegal or Unauthorized Payments; Political Contributions. Neither the Company nor, to the Company's Knowledge, any of the officers, directors, employees, agents or other representatives of the Company or any other business entity or enterprise with which the Company is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of the Company.

2.42. Money Laundering. The Company is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

2.43. Registration Rights. No holder of securities of the Company (other than Buyer and other holders of the Company's securities who are parties to the Registration Rights Agreement) has rights to the registration of any securities of the Company because of the filing of the Registration Statement under the Registration Rights Agreement or the issuance of the Purchased Shares hereunder.

2.44. Accounts Receivable. All of the Company's and the Subsidiaries accounts receivable reflected in the Company's last filed Quarter Report on Form 10-Q constituted at that time a valid claim in the full amount thereof against the debtor charged therewith on the books of the Company, and has been acquired in the ordinary course of business.

2.45. Relationships with Customers and Suppliers. Except as set forth on Section 2.45 of the Company Disclosure Schedule, neither the Company nor any of the Subsidiaries is engaged in any dispute with any customer or supplier and, to the Knowledge of the Company, no customer or supplier intends to terminate or modify its business relations with the Company, in each case where the result of such dispute, termination or modification is likely to result in a Material Adverse Effect.

2.46. Incentive Plan. Prior to the date hereof, the Board (or a committee thereof) has taken all necessary actions to adjust to reflect the 5-to-1 reverse stock split effected on April 6, 2017, (a) the total number of shares of Common Stock available for issuance under the 2016 Omnibus Incentive Plan (the "**Plan**") from 10,294,400 to 2,058,880 shares of Common Stock and (b) all outstanding Incentive Awards (as such term is defined in the Plan) under the Plan. As of the date of this Agreement, the total number of shares of Common Stock available for issuance under the Plan is 1,557,628. Except as set forth in the SEC Documents and on Schedule **Error! Reference source not found.** of the Company Disclosure Schedule, the Company does not have any employee stock option plans other than the Plan, and no options remain outstanding under any other stock option plans of the Company.

2.47. Acknowledgement. All disclosure provided to Buyer regarding the Company, its business and the transactions contemplated hereby, including the representations and warranties set forth in, and the schedules attached to, this Agreement, furnished by or on behalf of the Company is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. Each press release issued by the Company during the twelve (12) months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit to state 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 are made, not misleading. No event or circumstance has occurred, or information exists with respect to the Company or its business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure at or before the date hereof or announcement by the Company but which has not been so publicly disclosed. The Company acknowledges and agrees that Buyer makes no, and has not made any, representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 3.

2.48 Acknowledgment Regarding Buyer's Purchase of Purchased Shares. The Company acknowledges and agrees that each of the Buyers is acting solely in the capacity of an arm's length Buyer with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that no Buyer is acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Buyer or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Buyer's purchase of the Purchased Shares. The Company further represents to the Buyer that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

2.49 Acknowledgment Regarding Buyer's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding, it is understood and acknowledged by the Company that: (i) none of the Buyers has been asked by the Company to agree, nor has the Buyer agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Purchased Shares for any specified term, (ii) past or future open market or other transactions

by the Buyer, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities, (iii) the Buyer, and counter-parties in "derivative" transactions to which any the Buyer is a party, directly or indirectly, presently may have a "short" position in the Common Stock and (iv) the Buyer shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) one or more Buyers may engage in hedging activities at various times during the period that the Purchased Shares are outstanding, and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted. The Company acknowledges that such aforementioned hedging activities do not constitute a breach of any of the Transaction Documents.

3. BUYER'S REPRESENTATIONS AND WARRANTIES.

Buyer represents and warrants to the Company that:

3.1. Organization; Authority. Buyer is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with the requisite power and authority to enter into and to consummate the transactions contemplated by the Transaction Documents to which it is a party and otherwise to carry out its obligations hereunder and thereunder.

3.2. No Public Sale of Distribution. Buyer is acquiring the Purchased Shares, for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof in violation of applicable securities laws, except pursuant to sales registered or exempted under the 1933 Act; provided, however, by making the representations herein, Buyer does not agree, or make any representation or warranty, to hold any of the Purchased Shares for any minimum or other specific term and reserves the right to dispose of the Purchased Shares at any time in accordance with or pursuant to a Registration Statement or an exemption under the 1933 Act. Buyer does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Purchased Shares in violation of applicable securities laws.

3.3. Accredited Investor Status. Buyer is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D.

3.4. Reliance on Exemptions. Buyer understands that the Purchased Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and Buyer's compliance with, the representations, warranties, agreements, acknowledgments and understandings of Buyer set forth herein in order to determine the availability of such exemptions and the eligibility of Buyer to acquire the Purchased Shares.

3.5. Information. Buyer and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and materials relating to the offer and sale of the Purchased Shares which have been requested by Buyer, including a copy of

the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current reports on Form 8-K, if any. Buyer and its advisors, if any, have been afforded the opportunity to ask questions of, and receive answers from, the Company concerning the offer and sale of the Purchased Shares and to obtain any additional information Buyer has requested which is necessary to verify the accuracy of the information furnished to Buyer concerning the Company and such offering. Buyer understands that its investment in the Purchased Shares involves a high degree of risk. Buyer has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Purchased Shares. Buyer also acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, Buyer has relied solely upon its own investigation and the express representations and warranties of the Company set forth in Section 2 of this Agreement; and (b) neither the Company nor any other Person has made any representation or warranty as to the Company or this Agreement, except as expressly set forth in Section 2 of this Agreement.

3.6. No Governmental Review. Buyer understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Purchased Shares or the fairness or suitability of the investment in the Purchased Shares nor have such authorities passed upon or endorsed the merits of the offering of the Purchased Shares.

3.7. Transfer or Resale. Buyer understands that except as provided in the Registration Rights Agreement: (i) the Purchased Shares have not been and are not being registered under the 1933 Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, or (B) pursuant to an exemption from registration, including any sale of the Purchased Shares made in reliance on Rule 144 or Rule 144A promulgated under the 1933 Act (or a successor rule thereto)("**Rule 144**").

3.8. Validity; Enforcement. This Agreement has been, and the other Transaction Documents to which Buyer is a party, or will be upon delivery at the Closing has been, duly and validly authorized, executed and delivered on behalf of Buyer and each constitutes or, when delivered in accordance with the terms hereof, will constitute, the legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

3.9. No Conflicts. The execution, delivery and performance by Buyer of the Transaction Documents to which it is a party and the consummation by Buyer of the transactions contemplated hereby and thereby will not (i) result in a violation of the organizational documents of Buyer, (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which Buyer is a party or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to Buyer, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the

aggregate, reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligations hereunder.

3.10. Availability of Funds. Buyer has all funds necessary to purchase all the Purchased Shares to be issued under this Agreement and to timely consummate the transactions contemplated herein.

3.11. Illegal or Unauthorized Payments; Political Contributions. Neither Buyer nor, to Buyer's Knowledge, any of the officers, directors, employees, agents or other representatives of Buyer or any other business entity or enterprise with which Buyer is or has been affiliated or associated, has, directly or indirectly, made or authorized any payment, contribution or gift of money, property, or services, whether or not in contravention of applicable law, (a) as a kickback or bribe to any Person or (b) to any political organization, or the holder of or any aspirant to any elective or appointive public office except for personal political contributions not involving the direct or indirect use of funds of Buyer.

3.12. Money Laundering. Buyer is in compliance with, and have not previously violated, the USA Patriot Act of 2001 and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, without limitation, the laws, regulations and executive orders and sanctions programs administered by the U.S. Office of Foreign Assets Control, including, without limitation, (i) Executive Order 13224 of September 23, 2001 entitled, "Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism" (66 Fed. Reg. 49079 (2001)); and (ii) any regulations contained in 31 CFR, Subtitle B, Chapter V.

3.13. Legends. Buyer understands that, except as provided in Section 5.1, certificates evidencing the Purchased Shares may bear any legend as required by the Blue Sky laws of any state and a restrictive legend in substantially the form set forth in Section 5.1.

3.14. Ownership of Common Stock. Buyer is not, nor at any time during the last three (3) years has it been, and "interested stockholder" of the Company as defined in Section 203 of the Delaware General Corporation Law. Buyer does not own (directly or indirectly, beneficially or of record) and is not a party to any agreement, arrangement or understanding for the purpose of acquiring, holding, voting or disposing of, in each case, any shares of capital stock of the Company (other than as contemplated by this Agreement).

3.15. Foreign Investors. If the Buyer is not a United States person (as defined by Section 7701(a)(30) of the Code), the Buyer hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Purchased Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the purchase of the Purchased Shares, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Purchased Shares. The Buyer's subscription and payment for and continued beneficial ownership of the Purchased Shares will not violate any applicable securities or other laws of the Buyer's jurisdiction.

4. COVENANTS.

4.1. Commercially Reasonable Efforts. Buyer shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 6 of this Agreement. The Company shall use commercially reasonable efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 7 of this Agreement.

4.2. Form D and Blue Sky. The Company shall file a Form D with respect to the Purchased Shares as required under Regulation D and to provide a copy thereof to Buyer promptly after such filing. The Company shall, on or before the Closing Date, take such action as the Company shall reasonably determine is necessary in order to obtain an exemption for, or to, qualify the Purchased Shares for sale to Buyer at the Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and shall provide evidence of any such action so taken to Buyer on or prior to the Closing Date. Without limiting any other obligation of the Company under this Agreement, the Company shall timely make all filings and reports relating to the offer and sale of the Purchased Shares required under all applicable securities laws (including, without limitation, all applicable federal securities laws and all applicable "Blue Sky" laws), and the Company shall comply with all applicable federal, foreign, state and local laws, statutes, rules, regulations and the like relating to the offering and sale of the Purchased Shares to Buyer.

4.3. Reporting Status. Until the date on which Buyer shall have sold all of the Registrable Securities (the "**Reporting Period**"), the Company shall timely file all reports required to be filed with the SEC pursuant to the 1934 Act, and the Company shall not terminate its status as an issuer required to file reports under the 1934 Act even if the 1934 Act or the rules and regulations thereunder would no longer require or otherwise permit such termination. Until such time that all of the Purchased Shares may be sold without the requirement for the Company to be in compliance with Rule 144(c)(1) and otherwise without restriction or limitation pursuant to Rule 144, and provided that the Buyer is not then, and has not been in the 90 day prior thereto, an Affiliate of the Company, if the Company (i) shall fail for any reason to satisfy the current public information requirement under Rule 144(c) or (ii) has ever been an issuer described in Rule 144(i)(1)(i) or becomes an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (a "**Public Information Failure**") then, in addition to the Buyer's other available remedies, the Company shall pay to the Buyer, in cash, as partial liquidated damages and not as a penalty, by reason of any such delay in or reduction of its ability to sell the Purchased Shares, an amount in cash equal to one and a half percent (1.5%) of the aggregate Purchase Price of the Buyer's Purchased Shares on the day of a Public Information Failure and on every thirtieth (30^{th}) day (pro-rated for periods totaling less than thirty days) thereafter until the earlier of (a) the date such Public Information Failure is cured and (b) such time that such public information is no longer required for the Buyers to transfer the Shares and Warrant Shares pursuant to Rule 144. The payments to which the Buyer shall be entitled pursuant to this Section 4.5 are referred to herein as "**Public Information Failure Payments.**" Public Information Failure Payments shall be paid on the earlier of (i) the last day of the calendar month during which such Public Information Failure Payments are incurred and (ii) the third (3rd) Business Day after the event or failure giving rise to the Public Information Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the

rate of 1.5% per month (prorated for partial months) until paid in full. Nothing herein shall limit the Buyer's right to pursue actual damages for the Public Information Failure, and the Buyer shall have the right to pursue all remedies available to it at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief.

4.4 Use of Proceeds. The Company shall use the proceeds from the sale of the Purchased Shares for general corporate purposes, for acquisition of growth technologies in accordance with plans approved by the Board, and for working capital.

4.5. Financial Information. The Company agrees to send the following to Buyer during the Reporting Period unless the following are filed with the SEC through the EDGAR system and are available to the public through the EDGAR system, (i) within one (1) Business Day after the filing thereof with the SEC, a copy of its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, any interim reports or any consolidated balance sheets, income statements, stockholders' equity statements and/or cash flow statements for any period other than annual, any current reports on Form 8-K and any Registration Statements or amendments filed pursuant to the 1933 Act, (ii) on the same day as the release thereof, facsimile copies of all press releases issued by the Company (*provided* that such press releases will be deemed delivered if posted on the Company's website within one (1) Business Day of release thereof) and (iii) copies of any notices and other information made available or given to the stockholders of the Company generally, contemporaneously with the making available or giving thereof to the stockholders.

4.6. Listing. The Company shall maintain the Common Stock's listing on the Nasdaq Capital Market (the "**Eligible Market**"). Except as set forth in the NASDAQ Letters, the Company shall not take any action which could be reasonably expected to result in the delisting or suspension of the Common Stock on an Eligible Market. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4.7.

4.7. Disclosure of Transactions and Other Material Information. The Company shall, on or before 8:30 a.m., New York time, on the first (1st) Business Day after the date of this Agreement, (i) issue a press release (the "**Press Release**") reasonably acceptable to Buyer disclosing all the material terms of the transactions contemplated by the Transaction Documents and (ii) file a Current Report on Form 8-K describing all the material terms of the transactions contemplated by the Transaction Documents in the form required by the 1934 Act and attaching all the material Transaction Documents (including all attachments, the "**8-K Filing**"). From and after the issuance of the Press Release, the Company represents to the Buyers that it shall have publicly disclosed all material, non-public information delivered to any of the Buyers by the Company or any of its Subsidiaries, or any of their respective officers, directors, employees or agents in connection with the transactions contemplated by the Transaction Documents. In addition, effective upon the issuance of such press release, the Company acknowledges and agrees that any and all confidentiality or similar obligations under any agreement, whether written or oral, between the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates on the one hand, and any of the Buyers or any of their Affiliates on the other hand, shall terminate. Subject to the foregoing, unless and until a Change of Recommendation has occurred, neither the Company nor Buyer shall issue any press releases or any other public statements with respect to the transactions contemplated hereby; provided, however, the Company shall be entitled, without the prior approval of Buyer, to make any press

release or other public disclosure with respect to such transactions (A) in substantial conformity with the 8-K Filing and contemporaneously therewith and (B) as is required by applicable law and regulations (provided that in the case of clause (A) Buyer shall be consulted by the Company in connection with any such press release or other public disclosure prior to its release).

4.8. Additional Offerings.

In the event the Company at any time proposes to issue additional shares of its capital stock (or rights convertible or exercisable into shares of capital stock), other than (i) stock and options issued to employees or directors of, or consultants or advisors to, the Company or any of the Subsidiaries pursuant to a plan approved by the Board, or (ii) registered public offerings, Buyer shall have a preemptive right to participate in any such issuance, allowing Buyer to purchase such shares or rights, on terms and conditions no less favorable to Buyer as those offered to any other offeree in such issuance, up to a percentage of the total number of shares or rights offered by the Company in such issuance equal to Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately prior to such issuance.

4.9. Non-Public Information.

Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, which shall be disclosed pursuant to Section 4.8, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide Buyer or its agents or counsel with any information that constitutes, or the Company reasonably believes constitutes, material non-public information, unless prior thereto the Buyer shall have consented to the receipt of such information and agreed with the Company to keep such information confidential. The Company understands and confirms that the Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company. To the extent that the Company delivers any material, non-public information to the Buyer without the Buyer's consent, the Company hereby covenants and agrees that the Buyer shall not have any duty of confidentiality to the Company, any of its Subsidiaries, or any of their respective officers, directors, agents, employees or Affiliates, or a duty to the Company, any of its Subsidiaries or any of their respective officers, directors, agents, employees or Affiliates not to trade on the basis of, such material, non-public information, provided that the Buyer shall remain subject to applicable law. To the extent that any notice provided pursuant to any Transaction Document constitutes, or contains, material, non-public information regarding the Company or any Subsidiaries, the Company shall simultaneously file such notice with the Commission pursuant to a Current Report on Form 8-K. The Company understands and confirms that the Buyer shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.10. D&O Insurance. The Company shall maintain for a period ending six years after the Closing, and fully pay the premium for, directors' and officers' liability insurance policies covering current and former officers and directors of the Company in respect of acts or omissions occurring at or prior to Closing (including for acts or omissions occurring in connection with the approval and execution by the Company of the letter of intent proposing the transactions contemplated hereby, this Agreement and the consummation of the Closing), and containing terms that are no less favorable to any such officer or director than those of the officers' and directors' liability insurance policies in effect on the date of this Agreement

4.11. Auditors. Within ten (10) business days following Closing, the Company shall retain as its outside auditors either a Big 4 accounting firm, or another national accounting firm approved by Buyer.

5. REGISTER; TRANSFER AGENT INSTRUCTIONS; LEGEND.

5.1. Legends. Buyer understands that the Purchased Shares have been issued pursuant to an exemption from registration or qualification under the 1933 Act and applicable state securities laws, and except as set forth below, the Purchased Shares shall bear any legend as required by the "Blue Sky" laws of any state and a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such stock certificates):

> THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

5.2. Removal of Legends. Certificates evidencing the Purchased Shares shall not contain any legend (including the legend set forth in Section 5.1 hereof), (i) while a registration statement covering the resale of such security is effective under the 1933 Act, (ii) following any sale of such Purchased Shares pursuant to Rule 144, (iii) if such Purchased Shares are eligible for sale under Rule 144 free of any restrictions, or (iv) if such legend is not required under applicable requirements of the 1933 Act (including judicial interpretations and pronouncements issued by the staff of the Commission) ("**Liquidity Date**"). After the Liquidity Date, the Company shall cause its counsel to promptly issue a legal opinion to the Transfer Agent or the Buyer if required by the Transfer Agent to effect the removal of the legend hereunder, or if requested by the Buyer, respectively. The Company agrees that following the Liquidity Date or at such time as such legend is no longer required under this Section 5.2, it will, no later than two (2) Trading Days (as defined below) following the delivery by the Buyer to the Company or the Transfer Agent of a certificate representing Purchased Shares issued with a restrictive legend (such date, the "**Legend Removal Date**"), deliver or cause to be delivered to the Buyer a certificate representing such shares that is free from all restrictive and other legends. The Company may not make any notation on its records or give instructions to the Transfer Agent that enlarge the restrictions on transfer set forth in this Section 5. Certificates for Purchased Shares subject to legend removal hereunder shall be transmitted by the Transfer Agent to the

Buyer by crediting the account of the Buyer's prime broker with the Depository Trust Company System as directed by the Buyer. "**Trading Day**" shall mean a Business Day on which the Principal Market is open for trading.

5.3 Failure to Remove Legends. In addition to the Buyer's other available remedies, the Company shall pay to the Buyer, in cash, (i) as partial liquidated damages and not as a penalty, for each $2,000 of Purchased Shares (based on the VWAP of the Common Stock on the date such Purchased Shares are submitted to the Transfer Agent) delivered for removal of the restrictive legend and subject to Section 4.1(c), $10 per Trading Day for each Trading Day after the Legend Removal Date until such certificate is delivered without a legend and (ii) if the Company fails to (a) issue and deliver (or cause to be delivered) to the Buyer by the Legend Removal Date a certificate representing the Purchased Shares so delivered to the Company by the Buyer that is free from all restrictive and other legends and (b) if after the Legend Removal Date the Buyer purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Buyer of all or any portion of the number of shares of Common Stock, or a sale of a number of shares of Common Stock equal to all or any portion of the number of shares of Common Stock that the Buyer anticipated receiving from the Company without any restrictive legend, then, an amount equal to the excess of the Buyer's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (including brokerage commissions and other out-of-pocket expenses, if any) (the "**Buy-In Price**") over the product of (A) such number of Purchased Shares that the Company was required to deliver to the Buyer by the Legend Removal Date multiplied by (B) the lowest closing sale price of the Common Stock on any Trading Day during the period commencing on the date of the delivery by the Buyer to the Company of the applicable Purchased Shares (as the case may be) and ending on the date of such delivery and payment under this clause (ii). "**VWAP**" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Principal Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Principal Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if OTCQB or OTCQX is not a Principal Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on OTCQB or OTCQX as applicable, (c) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Buyers of a majority in interest of the Purchased Shares then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

6. CONDITIONS TO THE COMPANY'S OBLIGATION TO SELL.

6.1. The obligation of the Company hereunder to issue and sell the Purchased Shares at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may

be waived by the Company at any time in its sole discretion by providing Buyer with prior written notice thereof:

6.1.1. Buyer shall have executed each of the other Transaction Documents to which it is a party and delivered the same to the Company.

6.1.2. Buyer shall have delivered to the Company the Purchase Price at the Closing by wire transfer of immediately available funds pursuant to the wire instructions provided by the Company.

6.1.3. The representations and warranties of Buyer shall be true and correct in all material respects as of the date when made and as of the Closing Date as though originally made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such date), and Buyer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by Buyer at or prior to the Closing Date, and Buyer shall have delivered a certificate in form reasonably acceptable to the Company and signed by an executive officer of Buyer to the effect that this condition has been satisfied.

6.1.4. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin or prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

6.1.5. The Company Stockholder Approval (as defined in the Accelmed SPA) shall have been obtained and a simultaneous closing under that certain Stock Purchase Agreement between the Company and Accelmed Growth Parties, L.P. (the "**"Accelmed SPA**") shall have occurred.

6.1.6. Buyer shall have delivered to the Company such other documents, instruments or certificates relating to the transactions contemplated by this Agreement reasonably required to consummate the transactions contemplated hereby.

7. CONDITIONS TO BUYER'S OBLIGATION TO PURCHASE.

7.1. The obligation of Buyer hereunder to purchase the Purchased Shares at the Closing is subject to the satisfaction, at or before Closing Date, of each of the following conditions, provided that these conditions are for Buyer's sole benefit and may be waived by Buyer at any time in its sole discretion by providing the Company with prior written notice thereof:

7.1.1. The Company shall have duly executed and delivered to Buyer each of the Transaction Documents to which it is a party.

7.1.2. Buyer shall have received evidence of the simultaneously closing under the Accelmed SPA providing for a purchase by Accelmed, Buyer and Broadfin Healthcare

Master Fund, Ltd. of shares of the Company's Common Stock for an aggregate purchase price of Fifteen million dollars ($15,000,000) at a price per share of no less than $1.08.

7.1.3. The Company shall have duly executed and delivered to Buyer the Registration Rights Agreement in the form attached hereto as Schedule 7.1.3 (the "**Registration Rights Agreement**").

7.1.4. The Company and Rafaeli shall have entered into an employment agreement appointing Rafaeli as CEO of the Company, in the form attached hereto as Schedule 7.1.4 hereto, and such agreement shall remain in full force and effect as of immediately following Closing effective as of Closing.

7.1.5. The Board shall have approved this Agreement, the purchase by Buyer of the Purchased Shares, and the other matters contemplated by the Transaction Documents.

7.1.6. The Company shall have obtained Stockholder Approval.

7.1.7. The Company shall have delivered to Buyer a certificate evidencing the good standing of the Company and each Subsidiary in the State of Delaware, issued by the Delaware Secretary of State as of a date within ten (10) days of the Closing Date.

7.1.8. The Company shall have delivered to Buyer a certificate evidencing the Company's and each Subsidiary's foreign qualification and good standing issued by the Secretary of State (or comparable office) of each jurisdiction in which the Company and each such Subsidiary conducts business and is required to so qualify, as of a date within ten (10) days of the Closing.

7.1.9. The Company shall have delivered to Buyer a letter from the Company's transfer agent certifying the number of shares of the Company's capital stock, stating the outstanding shares of each class and series on the Closing Date immediately prior to the Closing.

7.1.10. The Common Stock (i) shall be designated for quotation on the Principal Market and (ii) shall not have been suspended, as of the Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of the Closing Date, either (A) in writing by the SEC or the Principal Market or (B) by falling below the minimum maintenance requirements of the Principal Market; (b) since the date of this Agreement, the Company shall have timely complied (without regard to any extensions) with all filing and reporting obligations under the federal securities laws; and (c) the Company is in compliance with all requirements in order to maintain quotation on the Principal Market (including reporting requirements under the 1934 Act).

7.1.11. No statute, rule, regulation, executive order, decree, ruling or injunction shall have been enacted, entered, promulgated or endorsed by any court or governmental authority of competent jurisdiction that prohibits the consummation of any of the transactions contemplated by the Transaction Documents, and no actions, suits or proceedings shall be in progress or pending by any Person that seeks to enjoin, prohibit or otherwise materially adversely affect any of the transactions contemplated by the Transaction Documents.

7.1.12. Since the date of execution of this Agreement, the Company shall not have filed nor be subject to any bankruptcy, insolvency, reorganization or liquidation proceedings or other proceedings for relief under any bankruptcy law or any law for the relief of debtors instituted by or against the Company.

8. TERMINATION.

8.1. Termination. Anything contained in this Agreement to the contrary notwithstanding, this Agreement may be terminated at any time prior to the Closing:

8.1.1. By either Buyer or the Company if the Closing has not occurred by June 30, 2018 (the "**Last Closing Date**");

8.1.2. By the written consent of Buyer, Accelmed and the Company;

8.1.3. By Buyer upon termination of the Accelmed SPA; or

8.1.4. By Buyer or the Company if any court of competent jurisdiction in the United States or other governmental entity will have issued a final and non-appealable order, decree or ruling permanently restraining, rejoining or otherwise prohibiting the consummation of any material transaction contemplated herein.

8.2. Consequences of Termination.

8.2.1. Except as otherwise expressly set forth in this Agreement, if this Agreement is terminated pursuant to Section 8.1 all parties' respective obligations hereunder shall then terminate, except that each party shall retain the right to pursue any and all remedies available hereunder or otherwise against any other party by reason of such other party's breach of any of its representations, warranties or covenants herein prior to such termination, which right shall survive the termination of this Agreement and shall remain in full force and effect and the Company shall reimburse the Buyer, by wire transfer of immediately available funds within two (2) Business Days after such termination, Buyer's legal fees and expenses up to $25,000[3].

9. MISCELLANEOUS.

9.1. Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement and the other Transaction Documents shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state courts of the State of New York, for the adjudication of any dispute hereunder or under any of the other Transaction Documents or in connection herewith or therewith or with any transaction contemplated hereby or thereby or discussed herein or therein,

[3] Note that Sabby's split 75/25.

and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof to such party at the address for such notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

9.2. Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party. In the event that any signature is delivered by facsimile transmission or by an e-mail which contains a portable document format (.pdf) file of an executed signature page, such signature page shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such signature page were an original thereof.

9.3. Headings; Gender. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Agreement instead of just the provision in which they are found.

9.4. Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

9.5. Entire Agreement; Amendments. This Agreement, the other Transaction Documents and the schedules and exhibits expressly attached hereto and thereto supersede all other prior oral or written agreements between Buyer, the Company, its affiliates and Persons

acting on its behalf solely with respect to the matters contained herein and therein, and this Agreement, the other Transaction Documents, and the schedules and exhibits expressly attached hereto and thereto contain the entire understanding of the parties solely with respect to the matters covered herein and therein. For clarification purposes, the Recitals are part of this Agreement. No provision of this Agreement may be amended other than by an instrument in writing signed by the Company and Buyer. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party. The Company has not, directly or indirectly, made any agreements with Buyer relating to the terms or conditions of the transactions contemplated by the Transaction Documents except as set forth in the Transaction Documents. Without limiting the foregoing, the Company confirms that, except as set forth in this Agreement, Buyer has not made any commitment or promise or has any other obligation to provide any financing to the Company or otherwise. As a material inducement for Buyer to enter into this Agreement, the Company expressly acknowledges and agrees that (i) no due diligence or other investigation or inquiry conducted by Buyer, any of its advisors or any of its representatives, or any information provided by or on behalf of the Company to Buyer shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document, provided, that, Buyer shall not be entitled to seek damages for a breach of the Company's representations and warranties contained in this Agreement or any other Transaction Document to the extent such damages resulted from a breach of which Buyer had knowledge of prior to the date hereof and (ii) unless a provision of this Agreement or any other Transaction Document is expressly preceded by the phrase "except as disclosed in the SEC Documents," nothing contained in any of the SEC Documents shall affect Buyer's right to rely on, or shall modify or qualify in any manner or be an exception to any of, the Company's representations and warranties contained in this Agreement or any other Transaction Document.

9.6. Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, if delivered personally; (ii) when sent, if sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); (iii) when sent, if sent by e-mail (provided that such sent e-mail is kept on file (whether electronically or otherwise) by the sending party and the sending party does not receive an automatically generated message from the recipient's e-mail server that such e-mail could not be delivered to such recipient) and (iv) if sent by overnight courier service, one (1) Business Day after deposit with an overnight courier service with next day delivery specified, in each case, properly addressed to the party to receive the same. The addresses, facsimile numbers and e-mail addresses for such communications shall be:

If to the Company:

STRATA Skin Sciences, Inc.
100 Lakeside Drive, Suite 100]
Horsham, PA 19044
Telephone: 215.619.3200
Facsimile:
Attention: Chairperson of the Board

With a copy (for informational purposes only) to:

Duane Morris LLP
30 South 17th Street
Philadelphia, PA 19103-4196
Email: JWKauffman@duanemorris.com
Telephone: 215.979.1227
Facsimile: 215.689.2724
Attention: John W. Kauffman, Esq.

If to Buyer:

Robert Grundstein
COO and General Counsel
10 Mountainview Road, Suite 205
Upper Saddle River, NJ 07458
p / (646) 307-4527
c / (201) 993-9426
aim / RobGSabby
rgrundstein@sabbymanagement.com

or to such other address, facsimile number or e-mail address and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (i) given by the recipient of such notice, consent, waiver or other communication, (ii) mechanically or electronically generated by the sender's facsimile machine containing the time, date and recipient facsimile number or (iii) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iv) above, respectively. A copy of the e-mail transmission containing the time, date and recipient e-mail address shall be rebuttable evidence of receipt by e-mail in accordance with clause (iii) above.

9.7. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and its successors and assigns, including, as contemplated below, any assignee of any of the Purchased Shares. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of Buyer.

9.8. No Third Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and its permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

9.9. Survival. The representations, warranties, agreements and covenants shall survive the Closing, except that if a claim is not made in respect of a particular representation or warranty within two (2) years of the date hereof, such representation or warranty will expire at such time.

9.10. Further Assurances. 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 may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

9.10.1. Without limiting the foregoing, in the event the Company is required to issue additional shares pursuant to Section 9.10.1 of the Accelmed SPA, then the Buyer shall also be issued additional shares of Common Stock pro-rata based on the number of shares issued under this Agreement to the number of shares issued pursuant to the Accelmed SPA, provided, however, to the extent that such issuance would otherwise cause the Buyer's beneficial ownership of the Common Stock (as calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) would exceed 4.99%, such shares shall be held in abeyance by the Company for the benefit of the Buyer until such time that the Buyer is able, in its discretion, to receive such shares without exceeding such 4.99% limitation.

9.11. Indemnification.

9.11.1. In consideration of Buyer's execution and delivery of the Transaction Documents and acquiring the Purchased Shares thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless Buyer, its affiliates, and their respective stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "**Indemnitees**") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements, (collectively the "**Losses**") incurred by any Indemnitee as a result of, or arising out of, or relating to, any claim (whether direct or derivative) of a breach of fiduciary duty by the Board (or any committee thereof), or by any director or by any stockholder, in connection with this Agreement and the transactions contemplated herein; provided, however, that the Indemnitees shall not be entitled to seek indemnification under this Section 9.11 until the aggregate amount of all Losses exceed $100,000 in the aggregate, and then the Indemnitees shall only be entitled to indemnification for Losses in excess of such amount; and provided, further, that the aggregate amount of all payments to which the Indemnitees shall be entitled to receive pursuant to this Section 9.11 shall in no event exceed the Purchase Price.

9.11.2. Without limiting the foregoing, in the event the Company incurs Losses arising out of, or related to, any Retained Risk, then Buyer shall be issued additional shares of Common Stock as compensation for such Losses based on the following formula:

AS = (LS*PBS)/1.08

"AS" means the total additional shares to be issued

"LS" means the Losses amount incurred with respect to a Retained Risk

"PBS" means the Buyer's percentage ownership of the Company's issued and outstanding shares of capital stock immediately following Closing, assuming full conversion of all Preferred Stock at Closing.

9.11.3. Provided, however, to the extent that such issuance would otherwise cause the Buyer's beneficial ownership of the Common Stock (as calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder) would exceed 9.99%, such shares shall be held in abeyance by the Company for the benefit of the Buyer until such time that the Buyer is able, in its discretion, to receive such shares without exceeding such 9.99% limitation.

9.11.4. The term "**Retained Risk**" means each of the following:

9.11.4.1. Any Tax or other payment obligation by the Company under Section 280G of the Code by reason of the transactions contemplated herein[4].

9.11.4.2. Sales Tax obligations to the State of New York for periods prior to Closing paid after Closing in excess of $77,000;

9.11.4.3. Any Losses incurred by reason of any matter described in Schedule 2.15 of the Company's Disclosure Schedule[5].

9.11.4.4. Any amounts payable by the Company to any placement agent, financial or investment advisors, or brokers, relating to or arising out of the transactions contemplated by this Agreement, except for payment to (i) H.C. Wainwright & Co., LLC in an amount not to exceed 4% of Purchase Price, and (ii) payment to Fairmount Partners in an amount not to exceed $680,000.

9.11.4.5. Legal fees incurred by the Company through the Closing in connection with the transactions contemplated hereby, whether or not paid by the Company prior to the date hereof, in excess of $400,000.

9.11.4.6. Premiums in excess of $200,000 for tail insurance covering pre-Closing directors and officers of the Company.

9.12. Fees and Expenses. Except as otherwise provided in this Agreement, each party to this Agreement shall bear all fees and expenses incurred by such party in connection with, relating to or arising out of the negotiation, preparation, execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein, including financial advisors', attorneys', accountants' and other professional fees and expenses, whether or not the Closing shall have occurred; provided, that the Company shall reimburse Buyer for its legal, consulting, due diligence and administrative costs related to the transactions contemplated

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[4] For avoidance of doubt, excluding Dolev Rafaeli

[5] Dealing with exceptions to the Sarbanes-Oxley reps

herein, including the reasonable legal fees, disbursements and related charges of Buyer's counsel (the "**Buyer's Fees and Expenses**") in an aggregate amount not to exceed twenty-five thousand dollars ($25,000)[6] at the earliest of (i) the Closing, or (ii) the termination of this Agreement for any reason other than by reason of a breach of this Agreement by Buyer. Without limiting the generality of the foregoing, at Closing Buyer may set-off the Buyer's Fees and Expenses against the Purchase Price.

9.13. Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party. No specific representation or warranty shall limit the generality or applicability of a more general representation or warranty. Each and every reference to share prices, shares of Common Stock and any other numbers in this Agreement that relate to the Common Stock shall be automatically adjusted for stock dividends, stock splits, stock combinations and other similar transactions that occur with respect to the Common Stock after the date of this Agreement.

9.14. Remedies. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the parties recognize that in the event any party fails to perform, observe, or discharge any or all of its obligations under the Transaction Documents, any remedy at law may prove to be inadequate relief to the other party. The parties agree therefore that either party shall be entitled to seek specific performance and/or temporary, preliminary and permanent injunctive or other equitable relief from any court of competent jurisdiction in any such case without the necessity of proving actual damages and without posting a bond or other security. Without limiting the generality of the foregoing, either party shall have the right to seek specific performance of this Agreement, including the Closing and the performance by the other party of all other actions contemplated herein.

9.15. Exercise of Right. No delay or omission to exercise any right, power, or remedy accruing to any party upon any breach or default of another party under this Agreement shall impair any such right, power, or remedy of such party, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent, or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing or as provided in this Agreement. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[signature pages follow]

6 Note that Sabby's split 75/25.

IN WITNESS WHEREOF, each of Buyer and the Company has caused its signature page to this Agreement to be duly executed as of the date first written above.

COMPANY:

STRATA SKIN SCIENCES, INC.

By: /s/ LuAnn Via

Name: LuAnn Via

Title: Chairperson

SABBY HEALTHCARE MASTER FUND, LTD.

By: /s/ Robert Grundstein

Name: Robert Grundstein

Title: COO

SABBY VOLATILITY WARRANT MASTER FUND, LTD.

By: /s/ Robert Grundstein

Name: Robert Grundstein

Title: COO

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EXHIBIT 10.4

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (this "***Agreement***") is entered into effective as of **[●]**, 2018, by and among (i) **STRATA Skin Sciences, Inc.**, a Delaware corporation (the "***Company***"), (ii) **Accelmed Growth Partners, L.P.**, a Cayman Island exempted limited partnership ("***Buyer***"), (iii) **Broadfin Healthcare Master Fund, Ltd**. a Cayman Island exempted company ("***Broadfin***"), (iv) **Sabby Healthcare Master Fund**, a Cayman Island exempted company (***Sabby***")[, and (v) Dolev Rafaeli and Gohan Investments Ltd. (together the "**Additional Investors**" and together with Buyer, Broadfin and Sabby, the "***Investors***")].

RECITALS

WHEREAS, Buyer and the Company are parties to that certain Securities Purchase Agreement, entered into effective as of March 30, 2018 (the "*Buyer* ***Purchase Agreement***"), pursuant to which the Company has agreed to issue and sell to Buyer, and Buyer has agreed to purchase from the Company, at the Closing, [11,304,348] shares (the "*Buyer* ***Purchased Shares***") of the Company's common stock, par value $0.001 (the "***Common Stock***"), on a private placement basis pursuant to Section 4(a)(2) under the Securities Act (as defined below) and Rule 506 under Regulation D promulgated under the Securities Act;

WHEREAS, Broadfin and the Company are parties to that Securities Purchase Agreement, entered into effective as of March 30, 2018 (the "***Broadfin Purchase Agreement***"), pursuant to which the Company has agreed to issue and sell to Broadfin, and Broadfin has agreed to purchase from the Company, at the Closing, [925,926] shares (the "***Broadfin Purchased Shares***") of the Company's Common Stock, on a private placement basis pursuant to Section 4(a)(2) under the Securities Act (as defined below) and Rule 506 under Regulation D promulgated under the Securities Act;

WHEREAS, Sabby and the Company are parties to that certain Securities Purchase Agreement, entered into effective as of March 30, 2018 (the "***Sabby Purchase Agreement***" and together with the Buyer Purchase Agreement and the Broadfin Purchase Agreement, the "***Purchase Agreements***"), pursuant to which the Company has agreed to issue and sell to Sabby, and Sabby has agreed to purchase from the Company, at the Closing, [925,926] shares (the "***Sabby Purchased Shares***" and together with the Buyer Purchased Shares and the Broadfin Purchased Shares, the "***Purchased Shares***") of the Company's Common Stock, on a private placement basis pursuant to Section 4(a)(2) under the Securities Act (as defined below) and Rule 506 under Regulation D promulgated under the Securities Act;

WHEREAS, in connection with, and as a condition precedent to the consummation of, the transactions contemplated by the Purchase Agreement, the Additional Investors and the Company have entered into subscription agreements pursuant to which the Company has agreed to issue and sell to each of the Additional Investors [869,565] (the "***Additional Shares***") of Common Stock, on a private placement basis pursuant to Section 4(a)(2) under the Securities Act and Rule 506 under Regulation D promulgated under the Securities Act;

WHEREAS, the Company has agreed to provide the registration and other rights set forth in this Agreement for the benefit of Buyer, Broadfin, Sabby and the Additional Investors; and

WHEREAS, it is a condition to certain obligations of Buyer, Broadfin and Sabby under the respective Purchase Agreements that this Agreement be executed and delivered.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party hereto, the parties hereby agree as follows:

1. Certain Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Purchase Agreement. As used in this Agreement, the following terms shall have the following respective meanings:

"***Affiliate***" means, with respect to any Person, any other Person controlling, controlled by or under direct or indirect common control with such Person (for the purposes of this definition "control," when used with respect to any specified Person, shall mean the power to direct the management and policies of such Person, directly or indirectly, whether through ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" shall have meanings correlative to the foregoing).

"***Additional Investors***" has the meaning specified therefor in the introductory paragraph of this Agreement

"***Agreement***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Broadfin***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Broadfin Purchase Agreement***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Broadfin Purchased Shares***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Buyer***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Buyer Purchase Agreement***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Buyer Purchased Shares***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Claims***" has the meaning ascribed to such term in Section 2.5.1.

"***Closing Date***" has the meaning set forth in the Purchase Agreement.

"***Common Stock***" has the meaning specified therefor in the Recitals of this Agreement.

"***Company***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Company Indemnified Person***" has the meaning ascribed to such term in Section 2.5.1.

"***Demand Notice***" has the meaning ascribed to such term in Section 2.1.1.

"***Demand Registration***" has the meaning ascribed to such term in Section 2.1.1.

"***Demand Right***" has the meaning ascribed to such term in Section 2.1.1.

"***Equity Interest***" means (a) with respect to a corporation, any and all shares of capital stock of such corporation, (b) with respect to a partnership, limited liability company, trust, or similar Person, any and all units, interests, or other partnership or limited liability company interests, and (c) any other direct or indirect equity ownership or participation in a Person.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Holder***" means Buyer, Broadfin, Sabby, each of the Additional Investors, and any Person holding Registrable Securities to whom the rights under Section 2 have been transferred in accordance with Section 2.8.

"***Holder Indemnified Person***" has the meaning ascribed to such term in Section 2.5.2.

"***Included Registrable Securities***" has the meaning ascribed to such term in Section 2.2.1.

"***Indemnified Damages***" has the meaning ascribed to such term in Section 2.5.1.

"***Indemnified Party***" has the meaning ascribed to such term in Section 2.5.3.

"***Indemnifying Party***" has the meaning ascribed to such term in Section 2.5.3.

"***Managing Underwriter***" means, with respect to any Underwritten Offering, the book running lead manager of such Underwritten Offering.

"***Other Holders***" has the meaning ascribed to such term in Section 2.2.

"***Person***" means an individual or entity, including, without limitation, any corporation, association, joint stock company, trust, joint venture, general or limited partnership, limited liability company, unincorporated organization, or governmental entity (or any department, agency or political subdivision thereof).

"***Piggyback Registration***" has the meaning ascribed to such term in Section 2.2.1.

"***Pro Rata Basis***" with respect to a Registration Statement means relative to the number of Registrable Securities then held by each Holder whose Registrable Securities are included in the Registration Statement.

"***Purchase Agreements***" has the meaning specified therefor in the Recitals of this Agreement.

"***Purchase Price***" has the meaning set forth in the Purchase Agreement.

"***Purchased Shares***" has the meaning specified therefor in the Recitals of this Agreement.

"***register,***" "***registered***" and "***registration***" refer to the registration effected by preparing and filing a Registration Statement in compliance with the Securities Act, and the declaration or ordering of the effectiveness of such Registration Statement by the SEC.

"***Registrable Securities***" means (A) the Purchased Shares, (B) the Additional Investors Shares, (C) any shares of Common Stock or other capital stock of the Company issued or issuable with respect to or in exchange for the other outstanding securities of the Company held by Broadfin or Sabby and (D) any shares of Common Stock or other capital stock of the Company issued or issuable with respect to or in exchange for the Purchased Shares, the Additional Investors Shares or the shares described in clause (C) above as a result of any stock split, stock dividend, distribution, recapitalization, exchange or similar event or otherwise; *provided, however,* that such shares shall only be treated as Registrable Securities if and only for so long as they are held by a Holder and (1) have not been disposed of pursuant to a Registration Statement declared effective by the SEC, (2) have not been disposed of pursuant to Rule 144, (3) have not otherwise been sold in a transaction exempt from the registration requirements of the Securities Act so that all transfer restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale or (4) may not be freely sold by a Holder under Rule 144 within a period of ninety (90) days without any restriction on the volume or manner of sale or current public information requirements.

"***Registration Expenses***" means all expenses incurred by the parties in complying with Sections 2.1 and 2.2, including, without limitation, all registration, qualification, exchange listing and filing fees, printing expenses, fees and expenses of counsel (including one counsel for all Holders selling shares in such registration) and independent accountants for the Company, blue sky fees and expenses and fees and expenses of the transfer agent for the Common Stock, incident to or required by any such registration (but excluding the Selling Expenses for any Holder).

"***Registration Period***" has the meaning ascribed to such term in Section 2.4.1.

"***Registration Statement***" means a registration statement under the Securities Act filed by the Company with the SEC.

"***Registration Term***" has the meaning ascribed to such term in Section 2.1.1.

"***Rule 144***" means Rule 144 promulgated under the Securities Act or any successor or similar rule as may be enacted by the SEC from time to time, all as the same shall be in effect at the time.

"***Sabby***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Sabby Purchase Agreement***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***Sabby Purchased Shares***" has the meaning specified therefor in the introductory paragraph of this Agreement.

"***SEC***" means the Securities and Exchange Commission of the United States or any other U.S. federal agency at the time administering the Securities Act.

"***Securities Act***" means the Securities Act of 1933, as amended, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time.

"***Selling Expenses***" means all underwriting discounts and selling commissions and similar fees applicable to the sale of Registrable Securities, all fees and expenses of legal counsel for any Holder (other than fees and expenses of one counsel for the Holders that constitute Registration Expenses) and all transfer taxes relating to any sale of Registrable Securities.

"***Selling Holder***" means a Holder who is selling Registrable Securities pursuant to Section 2.2.

"***Subsidiary***" means, as to a Person, any corporation, partnership, joint venture, limited liability company, association or other entity or organization in which such Person owns (directly or indirectly) any Equity Interest or other similar ownership interest.

"***Underwritten Offering***" means an offering in which shares of Common Stock are sold to an underwriter on a firm commitment or best efforts basis for reoffering to the public pursuant to a Registration Statement.

"***Violations***" has the meaning ascribed to such term in Section 2.5.1.

2. Registration Rights.

2.1. Demand Registration.

2.1.1. Demand Procedure. So long as any Registrable Securities remain outstanding (the "***Registration Term***"), Buyer shall have the right (the "***Demand Right***"), by written notice to the Company (a "***Demand Notice***"), to require the Company to register all or a portion of the Registrable Securities held by Buyer under and in accordance with the provisions of the Securities Act (a "***Demand Registration***"). The Company shall, within five (5) Business Days after the date the Demand Notice is given, provide written notice of such request to all Holders of Registrable Securities. As soon as practicable, but in any case no later than forty-five

(45) days following the receipt by the Company of the original Demand Notice, the Company will file (i) an "automatic shelf registration statement" (as defined in Rule 405 under the Securities Act) on Form S-3ASR with the SEC, if the Company is then a "well-known seasoned issuer" (as defined in Rule 405 under the Securities Act) eligible to file Form S-3ASR under the applicable rules and regulations of the SEC, or (ii) a Registration Statement on Form S-3 with the SEC, if the Company is not then eligible to file an automatic shelf registration statement on Form S-3ASR under the applicable rules of the SEC, in either case with respect to resale of the issued and outstanding Registrable Securities covered by the original Demand Notice and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by such other Holders in a Demand Notice which shall be provided to the Company on or before ten (10) days after the date the Company's Notice is given to such Holders; *provided, however,* that if the Company is not then eligible to file a Registration Statement on Form S-3ASR or Form S-3, the Company shall instead file a Registration Statement on Form S-1 (or other applicable form) no later than sixty (60) days following receipt of the original Demand Notice. The Company will use commercially reasonable efforts to cause such Registration Statement to be declared effective by the SEC as promptly as practicable after such filing (except in the case of an automatic shelf registration statement on Form S-3ASR that is deemed effective upon filing).The Company shall not be required to effect more than one (1) Demand Registration for all the Holders as a group; except that the Company shall effect additional Demand Registrations as necessary to register under a Registration Statement all Registrable Securities excluded or withdrawn from the initial Demand Registration by the Managing Underwriter (if any) pursuant to the last sentence of Section 2.1.3.

2.1.2. Postponement. Notwithstanding anything to the contrary in this Agreement, the Company will, upon written notice to any Holder whose Registrable Securities are included in or proposed to be included in the Registration Statement pursuant to Section 2.1.1, be entitled to postpone the filing of, or, except in the case of an automatic shelf registration statement on Form S-3ASR, declaration of effectiveness of, any Registration Statement prepared pursuant to the exercise of a Demand Right for a reasonable period of time not in excess of one hundred and twenty (120) days, if the board of directors of the Company determines, in the good faith exercise of its business judgment, and has delivered to Buyer written certification to the effect, that such registration and offering would (A) require disclosure of material non-public information concerning the Company which, at such time, is not in the best interest of the Company or (B) be materially detrimental to the Company and its stockholders because it would (1) materially interfere with a material acquisition, corporate reorganization, or other similar transaction involving the Company; (2) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (3) render the Company unable to comply with requirements under the Securities Act or Exchange Act; *provided*, *however*, such postponement right shall be exercised by the Company not more than once. In the event of any such postponement, the Company will promptly notify the Holders whose Registrable Securities are included in or proposed to be included in the Registration Statement in writing when the events or circumstances permitting such postponement have ended. In the event that the Company is subject to a binding lock-up agreement with one or more third-party underwriters at any time that a Holder requests a Demand Registration, the Company shall have the right to postpone the filing of a Registration Statement pursuant to the Demand Notice until the expiration of the applicable lock-up period (not to exceed ninety (90) days, plus any customary extension period of the applicable underwriter).The Company shall not

be obligated to effect, or to take any action to effect, any registration pursuant to Section 2.1.1 during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective.

2.1.3. Marketing Factors. If any Demand Registration is in the form of an Underwritten Offering, Buyer will select and obtain the services of the investment banking firm or firms and manager or managers that will administer the offering and the counsel to such investment banking firms and managers; *provided* that such investment banking firm, managers and counsel must be reasonably satisfactory to the Company. If the Managing Underwriter or underwriters of any proposed Underwritten Offering of shares of Common Stock pursuant to a Demand Registration advises the Company that the total issued and outstanding Registrable Securities held by all of the Holders exceeds the number of shares of Common Stock which can be sold in such offering or would have an adverse effect on the price, timing or distribution of the shares of Common Stock proposed to be offered in such Underwritten Offering or other marketing factors with respect thereto, then the shares of Common Stock to be included in such Underwritten Offering on behalf of the Holders shall include the number of Registrable Securities that such Managing Underwriter or underwriters advises the Company can be sold without having such adverse effect, and the number of shares that may be included in such Underwritten Offering shall be allocated to the Holders on a Pro Rata Basis. If the Managing Underwriter excludes or withdraws 50% or more of the total number of Registrable Securities that the Holders have requested to be included in such registration, then such Demand Registration shall not count as a Demand Registration permitted hereunder. If the Managing Underwriter excludes or withdraws any Registrable Securities from such Underwritten Offering pursuant to this Section 2.1.3, then the Registration Term shall be extended until such time as those excluded or withdrawn Registrable Securities are registered under a Registration Statement or cease to be Registrable Securities.

2.1.3.1. If a Demand Registration is not filed by the Company within forty five (45) days of a Demand Notice (or, in the event of a postponement under Section 2.1.2, then within forty five (45) days of a notice by the Company that the events or circumstances permitting such postponement have ended), then the Selling Holders (on a Pro Rata Basis) shall be entitled to a payment from the Company, as liquidated damages and not as a penalty, in the amount per month equal to a half of a percent (0.5%) of the Purchase Price (as such term is defined in each of the respective Purchase Agreements with respect to each Selling Holder), from the date the Company was required to file the relevant Demand Registration until it is actually filed (or, if earlier, such Selling Holder no longer holds Registrable Securities) and pro-rated for any partial month. The maximum penalty payable by the Company for all such failures to timely file shall not exceed five percent (5%) of the Purchase Price (as such term is defined in each of the respective Purchase Agreements with respect to each Selling Holder) in the aggregate. The liquidated damages payable pursuant to the immediately preceding sentence shall be payable within ten (10) Business Days after the end of each such monthly period, and shall be paid in immediately available funds.

2.2. Piggyback Registration.

2.2.1. Participation. If the Company proposes to file a Registration Statement, at any time beginning on the Closing Date until the end of the Registration Term, with respect to shares of Common Stock for its own account, for sale to the public, or to register shares of Common Stock for stockholders of the Company other than the Holders, in each case in connection with the public offering of such shares solely for cash and other than (x) a registration on Form S-8 relating solely to employee benefit plans, (y) a registration relating solely to a transaction contemplated by Rule 145 under the Securities Act, or (z) a registration on any registration form which does not permit secondary sales or does not include substantially the same information as would be required to be included in a Registration Statement covering the sale of Registrable Securities, then the Company shall give prompt notice of such proposed registration to each Holder and such notice shall offer each Holder (or any Holder who is not participating in the proposed Registration Statement) the opportunity to include in such registration such number of Registrable Securities (the "***Included Registrable Securities***") as such Holder may request in writing (a "***Piggyback Registration***"). The notice required to be provided in this Section 2.2.1 to each Holder shall be provided pursuant to Section 5. Each Holder shall then have fifteen (15) days to request inclusion of Registrable Securities in the registration. If no request for inclusion from a Holder is received within the specified time, such Holder shall have no further right to participate in such Piggyback Registration. If, at any time after giving written notice of its intention to undertake a registration and prior to the closing of such registration, the Company shall determine for any reason not to undertake or to delay such registration, the Company may, at its election, give written notice of such determination to the Selling Holders and, (x) in the case of a determination not to undertake such registration, shall be relieved of its obligation to sell any Included Registrable Securities in connection with such terminated registration, and (y) in the case of a determination to delay such registration, shall be permitted to delay offering any Included Registrable Securities for the same period as the delay in the registration. Any Selling Holder shall have the right to withdraw such Selling Holder's request for inclusion of such Selling Holder's Registrable Securities in such offering by giving written notice to the Company of such withdrawal up to and including the time of pricing of such offering. A Piggyback Registration shall not be considered a Demand Registration for purposes of Section 2.1 of this Agreement. The Company shall have no obligation under this Section 2.2 to make any offering of its shares of Common Stock or to complete an offering of its shares of Common Stock that it proposes to make.

2.2.2. Priority of Piggyback Registration. If the Managing Underwriter or underwriters of any proposed Underwritten Offering of shares of Common Stock included in a Piggyback Registration advises the Company that the total amount of shares of Common Stock which the Selling Holders and any other Persons (other than the Company) intend to include in such offering exceeds the number which can be sold in such offering or would have an adverse effect on the price, timing or distribution of the shares of Common Stock proposed to be offered in such Underwritten Offering, then the shares of Common Stock to be included in such Underwritten Offering on behalf of the Selling Holders shall include the number of Registrable Securities that such Managing Underwriter or underwriters advises the Company can be sold without having such adverse effect. Such shares of Common Stock shall be allocated *pro rata* among the Selling Holders and any other Persons who possess registration rights who have requested participation in the Piggyback Registration ("***Other Holders***") (based, for each such Selling Holder or Other Holder, on the percentage derived by dividing (A) the number of shares of Common Stock or other capital stock of the Company proposed to be sold by such Selling

Holder or such Other Holder in such offering by (B) the aggregate number of shares of such class of securities proposed to be sold by all Selling Holders and all Other Holders in the Piggyback Registration).

2.3. Expenses of Registration. All Registration Expenses incurred in connection with any registration, qualification or compliance pursuant to Section 2.1 and Section 2.2 shall be borne by the Company; *provided, however,* that the Company shall not be required to pay for any Registration Expenses for any registration proceeding begun pursuant to Section 2.1 if the registration request is subsequently withdrawn at the request of Buyer (in which case all Selling Holders shall bear such expenses on a Pro Rata Basis), unless Buyer agrees that such withdrawn registration shall constitute a Demand Registration to which the Holders were entitled pursuant to Section 2.1. All Selling Expenses (other than underwriting discounts and commissions) relating to the sale of Registrable Securities registered by or on behalf of the Holders shall be borne by the Company, including the reasonable and documented fees, disbursements and related charges of counsel to Buyer, or the Selling Holders if the Buyer is not a Selling Holder, (not to exceed $20,000 without the prior approval of the Company).

2.4. Registration Procedures. In the case of the registration, qualification or compliance effected by the Company pursuant to this Agreement, the Company will, upon reasonable request, inform each Holder as to the status of such registration, qualification and compliance. At its expense, in the case of a Registration Statement filed pursuant to Section 2.1 or Section 2.2, the Company will, during such time as any Holder holds Registrable Securities:

2.4.1. use commercially reasonable efforts to cause such Registration Statement to become effective and to prepare and file such amendments and post-effective amendments to the Registration Statement and any documents required to be incorporated by reference therein as may be necessary to keep the applicable Registration Statement filed and declared effective pursuant to this Agreement, and any related qualification or compliance under state securities laws which it is necessary to obtain, effective until the earliest of (A) three (3) years after the declaration of effectiveness of the Registration Statement by the SEC, (B) the date upon which all Registrable Securities cease to be Registrable Securities and (C) the date upon which the Holders have completed the distribution described in such Registration Statement, whichever first occurs (the period of time during which the Company is required hereunder to keep the Registration Statement effective is referred to herein as the "***Registration Period***"); *provided, however,* that in the case of clause (A), such Registration Period shall be extended by a period of time equal to the duration of any stop order, injunction or other order or requirement of the SEC or other governmental agency or court issued to or by which the Company is bound and by any postponement initiated by the board of directors of the Company pursuant to Section 2.1.2; *provided further, however,* that in no event shall any such extension period exceed six (6) months.

2.4.2. at least five (5) Business Days prior to filing a Registration Statement and at least three (3) Business Days prior to the filing of a prospectus or any amendments or supplements to a Registration Statement or a prospectus (but not any periodic report to be incorporated by reference in a Registration Statement or a prospectus), the Company shall furnish to the Holders of the Registrable Securities covered by such Registration Statement and the underwriter or underwriters, if any, copies of or drafts of all such documents proposed to

be filed, which documents shall be subject to the reasonable review of such Holders and underwriters, if any, and the Company shall use commercially reasonable efforts to satisfy any objections with respect thereto raised by the Selling Holders, or the underwriters, if any;

2.4.3. in the event of any Underwritten Offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

2.4.4. furnish such number of prospectuses and other documents incident thereto as any Holder from time to time may reasonably request to enable such Holder to consummate the disposition of the Registrable Securities owned by such Holder;

2.4.5. use commercially reasonable efforts to timely register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as any Holder reasonably requests and do any and all other acts and things which may be reasonably necessary to enable such Holder to consummate the disposition of the Registrable Securities owned by such Holder in such jurisdictions; *provided*, that the Company will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 2.4, (B) subject itself to taxation in any such jurisdiction or (C) file a general consent to service of process in any jurisdiction unless the Company is already subject to service in such jurisdiction;

2.4.6. notify each Holder of such Registrable Securities as promptly as practicable (A) after becoming aware of the happening of any event as a result of which the Registration Statement, the prospectus included in the Registration Statement, as then in effect, or any prospectus supplement contains an untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (B) if the board of directors of the Company determines, in the good faith exercise of its business judgment, that the disposition of Registrable Securities pursuant to the Registration Statement would (I) require disclosure of material non-public information concerning the Company which, at such time, is not in the best interest of the Company, or (II) otherwise materially and adversely affect the Company or its stockholders because it would (1) materially interfere with a material acquisition, corporate reorganization, or other similar transaction involving the Company; (2) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (3) render the Company unable to comply with requirements under the Securities Act or Exchange Act, (C) 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 or the receipt by the Company of written correspondence from the SEC notifying the Company that the SEC may undertake either of the foregoing or (D) 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 applicable securities or blue sky laws of any jurisdiction, and notify each Holder of such Registrable Securities when such events or circumstances have ended and the applicable Registration Statement is again available for use in connection with dispositions of Registrable Securities and, if appropriate, the Company will in connection therewith prepare a supplement or amendment to the prospectus included in the applicable Registration Statement as promptly as reasonably practicable, but in any event within 60 days of the Company's suspension notice, so that, as

thereafter delivered to the purchasers of such Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading, and to take such other commercially reasonable action as promptly as reasonably practicable as is necessary to remove a stop order, suspension, written notification from the SEC of the possibility thereof or proceedings related thereto. The Company shall not be permitted to suspend usage of the Registration Statement in the case of any event described in clause (A) or (B) of the preceding sentence more than a total of sixty (60) days in any twelve-month period;

2.4.7. notify each Holder of such Registrable Securities as promptly as practicable of (A) the filing of the Registration Statement or any prospectus or prospectus supplement to be used in connection therewith, or any amendment or supplement thereto, and, with respect to such Registration Statement or any other registration statement or any post-effective amendment thereto, when the same has become effective; and (B) the receipt of any written comments from the SEC with respect to any filing referred to in clause (A) and any written request by the SEC for amendments or supplements to the Registration Statement or any prospectus or prospectus supplement thereto;

2.4.8. upon request and subject to appropriate confidentiality arrangements between the parties, furnish to all Holders copies of all transmittal letters or other correspondence with the SEC or any other governmental agency or self-regulatory body or other body having jurisdiction (including any domestic or foreign securities exchange) to the extent related to a Registration Statement filed pursuant to Section 2.1 or Section 2.2;

2.4.9. in the case of an Underwritten Offering, use commercially reasonable efforts to cause to be furnished, upon request of the underwriters, (i) an opinion of counsel for the Company dated the date of the closing under the underwriting agreement and (ii) a "comfort" letter, dated the pricing date of such Underwritten Offering and a letter of like kind dated the date of the closing under the underwriting agreement, in each case, signed by the independent public accountants who have audited any of the Company's financial statements included or incorporated by reference into the Registration Statement, and each of the opinion and the "comfort" letter shall be in customary form and cover such matters with respect to such Registration Statement (and the prospectus and any prospectus supplement included therein) as such underwriters may reasonably request and which are customarily covered in opinions of issuer's counsel and in accountants' letters delivered to the underwriters in similar Underwritten Offerings of securities;

2.4.10. otherwise use its commercially reasonable efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 promulgated thereunder;

2.4.11. make available to the appropriate representatives of the Managing Underwriter and Holders access to such information and Company personnel as is reasonable and customary to enable such parties to establish a due diligence defense under the Securities Act to the extent such defense is available to such person; *provided*, that the Company need not

disclose any non-public information to any such representative unless and until such representative has entered into a confidentiality agreement with the Company;

2.4.12. provide a transfer agent and registrar for all Registrable Securities covered by such Registration Statement not later than the effective date of such Registration Statement;

2.4.13. if requested by a Holder and subject to review by the Company and approval by the Company, such approval not to be unreasonably withheld or delayed, (i) incorporate in a prospectus supplement or post-effective amendment such information as such Holder reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including information with respect to the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering and (ii) make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment; and

2.4.14. cause all such Registrable Securities to be listed or quoted on each securities exchange or nationally recognized automated quotation system on which similar securities issued by the Company are then listed or quoted.

2.5. Indemnification. In the event any Registrable Securities are included in a Registration Statement under this Agreement:

2.5.1. To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend each Holder, the directors, officers, members, partners, employees, agents, underwriters, advisors, representatives of, and each Person, if any, who controls any Holder within the meaning of the Securities Act or the Exchange Act (each, a "***Company Indemnified Person***"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several, (collectively, "***Claims***") incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the SEC, whether pending or threatened ("***Indemnified Damages***"), to which any of them may become subject to the extent such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (A) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any document incorporated by reference therein, or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (B) any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus or contained in any related free writing prospectuses of the Company or in the final prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in each case in light of the circumstances under which the statements therein were made, not misleading or (C) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any other law relating to the offer or sale of the Registrable Securities

pursuant to a Registration Statement (the matters in the foregoing clauses (A), (B) and (C) being, collectively, "***Violations***"). Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 2.5.1: (i) shall not apply to a Claim by a Company Indemnified Person to the extent arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of such Company Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto and (ii) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld or delayed. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Company Indemnified Person and shall survive the transfer of the Registrable Securities by the Holders pursuant to Section 2.8.

2.5.2. In connection with any Registration Statement in which a Holder is participating, each such Holder agrees to severally and not jointly indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in Section 2.5.1, the Company, each of its directors, each of its officers who signs the Registration Statement, each of its employees, agents, advisors and representatives and each Person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act (each, a "***Holder Indemnified Person***"), against any Claim or Indemnified Damages to which any of them may become subject, under the Securities Act, the Exchange Act or otherwise, to the extent such Claim or Indemnified Damages arise out of or are based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Holder expressly for use in connection with such Registration Statement; *provided*, *however*, that the indemnity agreement contained in this Section 2.5.2 and the agreement with respect to contribution contained in Section 2.5.4 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of such Holder, which consent shall not be unreasonably withheld or delayed; *provided*, *further*, *however*, that the Holder shall be liable under this Section 2.5.2 for only that amount of a Claim or Indemnified Damages as does not exceed the net proceeds (net of any Selling Expenses) to such Holder as a result of the sale of Registrable Securities pursuant to such Registration Statement, except in the event of fraud by such Holder. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Holder Indemnified Person and shall survive the transfer of the Registrable Securities by the Holders pursuant to Section 2.8. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 2.5.2 with respect to any preliminary prospectus shall not inure to the benefit of any Holder Indemnified Person if the untrue statement or omission of material fact contained in the preliminary prospectus was corrected on a timely basis in the prospectus, as then amended or supplemented.

2.5.3. Each Company Indemnified Person or Holder Indemnified Person entitled to indemnification under this Section 2.5 (the "***Indemnified Party***") shall give notice to the party required to provide indemnification (the "***Indemnifying Party***") promptly after such Indemnified Party has actual knowledge of any Claim as to which indemnity may be sought, and unless in such Indemnified Party's reasonable judgment a conflict of interest may exist between such Indemnified Party and the Indemnifying Party, shall permit the Indemnifying Party to assume the defense of any such Claim or any litigation resulting therefrom, provided that counsel

for the Indemnifying Party, who shall conduct the defense of such Claim, shall be approved by the Indemnified Party (whose approval shall not unreasonably be withheld), and the Indemnified Party may participate in such defense at such party's expense, and *provided, further,* that the failure of any Indemnified Party to give notice as provided herein shall not relieve the Indemnifying Party of its obligations under this Agreement, unless such failure is prejudicial to the Indemnifying Party in defending such Claim.

2.5.4. If the indemnification provided for in this Section 2.5 is held by a court of competent jurisdiction to be unavailable to an Indemnified Party with respect to any Claim or Indemnified Damages referred to therein, then the Indemnifying Party, in lieu of indemnifying such Indemnified Party thereunder, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Claim or Indemnified Damages in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party on the one hand and of the Indemnified Party on the other in connection with the Violations which resulted in such Claim or Indemnified Damages as well as any other relevant equitable considerations. The relative fault of the Indemnifying Party and of the Indemnified Party shall be determined by reference to, among other things, whether the Violation relates to information supplied by the Indemnifying Party or by the Indemnified Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such Violation. 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 is not guilty of such fraudulent misrepresentation.

2.6. Covenants of Holders.

2.6.1. Each Holder agrees that, upon receipt of any notice from the Company pursuant to Section 2.4.6, such Holder will forthwith discontinue disposition of Registrable Securities pursuant to the applicable Registration Statement (and if so requested by the Company, each Holder shall deliver to the Company all copies, other than permanent file copies, then in such Holder's possession, of the prospectus covering such Registrable Securities at the time of receipt of such notice), until the receipt of written notification from the Company that the circumstances requiring the discontinuation of the use of such Registration Statement have ended and, if applicable, receipt from the Company of copies of a supplemented or amended prospectus.

2.6.2. Each Holder whose Registrable Securities are included in a Registration Statement pursuant to an Underwritten Offering severally agrees to enter into such lock-up agreement as the Managing Underwriter may in its reasonable discretion require in connection with any such Underwritten Offering (which lock-up agreement may provide for a lock-up period of up to 90 days, plus any customary extension period of the applicable underwriter); *provided, however,* that all executive officers and directors of the Company shall be subject to similar restrictions or enter into similar agreements (subject to such exceptions as the Managing Underwriter may permit in its reasonable discretion).

2.6.3. Each Holder agrees to notify the Company, at any time when a prospectus relating to a Registration Statement contemplated by Sections 2.1 or 2.2, as the case may be, is required to be delivered by it under the Securities Act, of the occurrence of any event relating to the Holder which requires the preparation of a supplement or amendment to such

prospectus included in the Registration Statement so that, as thereafter delivered to the purchasers of Registrable Securities, such prospectus will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading relating to such Holder, and each Holder shall promptly make available to the Company the information to enable the Company to prepare any such supplement or amendment. Each Holder also agrees that, upon delivery of any notice by it to the Company of the happening of any event of the kind described in the preceding sentence of this subsection, the Holder will forthwith discontinue disposition of Registrable Securities pursuant to such Registration Statement until its receipt of the copies of the supplemental or amended prospectus contemplated by this subsection, which the Company shall promptly (and in any event within 60 days of any such Company notice) make available to each Holder and, if so requested by the Company, each Holder shall deliver to the Company all copies, other than permanent file copies then in such Holder's possession, of the prospectus covering such Registrable Securities at the time of delivery of such notice.

2.6.4. Each Holder shall promptly furnish to the Company such information regarding such Holder and the distribution proposed by such Holder as the Company may reasonably request in writing or as shall be required in connection with any registration, qualification or compliance referred to in this Section 2. Such Holder will assist the Company in updating such information in the Registration Statement and any prospectus supplement relating thereto.

2.6.5. Each Holder acknowledges and agrees that the Registrable Securities sold pursuant to the Registration Statement described in this Section 2 are not transferable on the books of the Company unless the stock certificate evidencing such Registrable Securities (or other applicable documentation, if the Registrable Securities are registered as restricted securities in book-entry form in a direct registration system maintained for the Company by its transfer agent) is submitted to the Company's transfer agent.

2.6.6. Each Holder hereby covenants with the Company not to make any disposition of Registrable Securities pursuant to the Registration Statement other than in compliance with the Securities Act and other applicable laws (*provided*, that for purposes of this covenant, each Holder shall be entitled to rely on the accuracy and completeness of disclosures with respect to which the Company is providing indemnification pursuant to Section 2.5 hereof).

2.6.7. Each Holder agrees not to take any action with respect to any distribution deemed to be made pursuant to such Registration Statement that constitutes a violation of Regulation M under the Exchange Act or to take any action that violates any other applicable rule, regulation or securities law.

2.7. Rule 144 Reporting. With a view to making available to the Holders the benefits of certain rules and regulations of the SEC which at any time permit the sale of the Registrable Securities to the public without registration, the Company agrees to use commercially reasonable best efforts after the Closing Date and until such date that all Registrable Securities have been (A) disposed of pursuant to a Registration Statement declared effective by the SEC, (B) disposed of pursuant to Rule 144 or (C) otherwise been sold in a transaction exempt from the registration requirements of the Securities Act so that all transfer

restrictions and restrictive legends with respect thereto are removed upon the consummation of such sale, to:

2.7.1. make and keep adequate current public information with respect to the Company available, as those terms are understood and defined in Rule 144, at all times; and

2.7.2. file with the SEC in a timely manner all reports and other documents required of the Company under the Exchange Act for so long as the Company remains subject to such requirements, and the filing of such reports is required for sales under Rule 144.

2.8. Transfer of Registration Rights. The rights to cause the Company to register Registrable Securities granted to the Holder by the Company under Sections 2.1 and 2.2 may be assigned in full (but only with all related obligations) by a Holder (i) to a Subsidiary of such Holder, provided that such Holder retains its ownership interest in such Subsidiary, (ii) to an Affiliate of such Holder (other than a Subsidiary of such Holder) provided that such assignment shall not be with the intent of or as part of a transaction or a series of related transactions to transfer, assign, merge or exchange such Affiliate to or with a Person that is not an Affiliate of such Holder or (iii) to a transferee or assignee in conjunction with a transfer or assignment of all or substantially all of such Holder's assets to such transferee or assignee; *provided*, *however*, that, as a condition precedent to any such transfer or assignment, (A) such transfer or assignment shall be effected in accordance with applicable securities laws; (B) such Holder gives prior written notice to the Company; and (C) such transferee agrees in writing to comply with the terms and provisions of this Agreement and such transfer does not violate any other provision of this Agreement. Except as permitted by this Section 2.8, the rights of a Holder with respect to Registrable Securities as set out herein shall not be transferable to any other Person, and any attempted transfer shall cause all rights of such Holder therein to be forfeited. The term "Buyer" as used in this agreement shall include any assignee of Buyer's rights permitted by this Section.

3. Governing Law; Jurisdiction; Jury Trial. Section 9.1 of the Purchase Agreement is incorporated herein by reference as if fully set forth herein.

4. Severability. If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated by this Agreement is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties 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 to the end that such transactions are fulfilled to the extent possible.

5. Notices. Section 9.6 of the Purchase Agreement is incorporated herein by reference as if fully set forth herein.

6. Titles and Subtitles. The titles and subtitles contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

7. Waivers and Amendments. This Agreement may be amended or waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely), but only by an instrument in signed by (i) the Company, (ii) Buyer and (iii) either Broadfin or Sabby. Upon the effectuation of each such amendment or waiver, the Company shall promptly give written notice thereof to any Holder who has not previously received notice thereof or consented thereto in writing. No failure or delay on the part of any party in the exercise of any right hereunder shall impair such right or be construed to be a waiver of, or acquiescence in, any breach of any covenant or agreement herein, nor shall any single or partial exercise of any such right preclude other or further exercise thereof or of any other right. 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 a Holder or some Holders and that does not directly or indirectly affect the rights of other Holders may be given only by such Holder or Holders of all of the Registrable Securities to which such waiver or consent relates; provided, however, that the provisions of this sentence may not be amended, modified, or supplemented except in accordance with the provisions of the first sentence of this Section 7. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration also is offered to all of the parties to this Agreement.

8. Successors and Assigns. This Agreement shall be binding upon and inure solely to the benefit of each party and its successors and permitted assigns.

9. Entire Agreement. This Agreement, in conjunction with the Purchase Agreement and the other agreements referenced therein, constitute the entire agreement and understanding of the parties, and supersede all prior agreements and undertakings, both written and oral, among the parties, with respect to the subject matter hereof and thereof.

10. Counterparts. This Agreement may be executed in multiple counterparts and by the different parties hereto in separate counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

11. Specific Performance. The parties hereto acknowledge that there would be no adequate remedy at law if they fail to perform their obligations hereunder, and it is therefore agreed that each such Person, in addition to and without limiting any other remedy or right it may have, will have the right to an injunction (whether temporary, preliminary or permanent) or other equitable relief in any court of competent jurisdiction, enjoining any such breach, and enforcing specifically the terms and provisions hereof, and each of the parties hereto hereby waives any and all defenses it may have on the ground of lack of jurisdiction or competence of the court to grant such an injunction or other equitable relief. The existence of this right will not preclude any such Person from pursuing any other rights and remedies at law or in equity that such Person may have.

12. No Third Party Beneficiaries. Nothing expressed or implied in this Agreement shall be construed to give any Person other than the parties hereto any legal or equitable rights hereunder.

[Signature page to follow]

IN WITNESS WHEREOF, the parties have executed this Registration Rights Agreement as of the date first above written.

COMPANY:

STRATA SKIN SCIENCES, INC
By: _____
Name: _____
Title: _____

BUYER:

ACCELMED GROWTH PARTNERS, L.P
By:
Accelmed Growth Partners Management Ltd.,
its Manager
By: _____
Name: _____
Title: _____

SABBY:

Sabby Healthcare Master Fund
By: _____
Name: _____
Title: _____

BROADFIN:

Broadfin Healthcare Master Fund, Ltd. Ltd.
By: _____
Name: _____
Title: _____

ADDITIONAL INVESTORS:

Gohan Investments Ltd.
By: _____
Name: _____
Title: _____

_____
Dolev Rafaeli

EXHIBIT 10.5

LEAK-OUT AGREEMENT

March 30, 2018

This agreement (the "**Leak-Out Agreement**") is being delivered to you in connection with an understanding by and among STRATA Skin Sciences, Inc., a Delaware corporation (the "**Company**"), and the person or persons named on the signature pages hereto (collectively, the "**Holder**").

Reference is hereby made to (a) the Securities Purchase Agreement dated as of March __, 2018 (the "**SPA**"), by and between Holder and the Company, pursuant to which Holder acquired shares of Common Stock of the Company. To induce the Company to enter into the SPA, the Holder agrees to undertake the following for the benefit of the Company:

The Holder agrees solely with the Company that, for a period ending on the third (3rd) anniversary of the closing under the SPA (defined below), and commencing from the later of (a) the date that the Company Stockholder Approval is approved and deemed effective and (b) the closing of the transactions contemplated pursuant to the SPA, Holder shall not sell dispose or otherwise transfer, directly or indirectly, (including, without limitation, any sales, short sales, swaps or any derivative transactions that would be equivalent to any sales or short positions) any shares of Common Stock of the Company ("**Company Share**") held by the Holder on the date hereof or issuable to the Holder upon conversion of shares of the Company's Preferred Stock held by the Holder on the date hereof, (a) if prior to April 1, 2019, at a price per Company Share less than $1.296, subject to adjustment for reverse and forward stock splits and the like, or (b) thereafter, at a price per Company Share reflecting less than the price set forth on the schedule in Annex A attached hereto subject to adjustment for reverse and forward stock splits and the like, unless, (1) in the case of either clauses (a) or (b), otherwise approved by the Company's Board of Directors, (2) in the case of clause (b), under a shelf prospectus or such other controlled offering as may be agreed to by the Principal Stockholders (as defined in the SPA) or (3) in the case of either clauses (a) or (b), in a sale pursuant to which any other stockholder(s) of the Company are offered the same terms of sale, including in a merger, consolidation, transfer or conversion involving the Company or any of its Subsidiaries. The provisions set forth in clauses (a) and (b) of the preceding sentence shall be referred to as the "**Trading Restrictions**".

Notwithstanding anything herein to the contrary, the Holder may, directly or indirectly, sell or transfer all, or any part, of the Company's shares of capital stock (the "**Restricted Securities**") to any Person (an "**Assignee**") in a transaction which does not need to be reported on the Nasdaq consolidated tape, without complying with the Trading Restrictions; provided, that as a condition to any such sale or transfer an authorized signatory of the Company and such Assignee duly execute and deliver a leak-out agreement in the form of this Leak-Out Agreement (an "**Assignee Agreement**", and each such transfer a "**Permitted Transfer**").

Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Leak-Out Agreement must be in writing and shall be given in accordance with the terms of the SPA.

This Leak-Out Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, letters and understandings relating to the subject matter hereof and are fully binding on the parties hereto.

This Leak-Out Agreement may be executed simultaneously in any number of counterparts. Each counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. This Leak-Out Agreement may be executed and accepted by facsimile or PDF signature and any such signature shall be of the same force and effect as an original signature.

The terms of this Leak-Out Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto and their respective successors and assigns.

This Leak-Out Agreement may not be amended or modified except in writing signed by each of the parties hereto.

Each party hereto acknowledges that, in view of the uniqueness of the transactions contemplated by this Leak-Out Agreement, the other party hereto will not have an adequate remedy at law for money damages in the event that this Leak-Out Agreement has not been performed in accordance with its terms, and therefore agrees that such other party shall be entitled to seek specific enforcement of the terms hereof in addition to any other remedy it may seek, at law or in equity.

As a condition to the Holder's obligations hereunder, this Leak-Out Agreement shall not be effective unless [SABBY/BROADFIN] executes the SPA and the Company or its agent has notified the Holder and provided evidence thereof that (i) Accelmed Growth Partners, L.P., a Cayman Island exempted limited partnership ("**Accelmed**") and the Company have executed that certain that certain Securities Purchase Agreement dated as of March __, 2018 (the "**Accelmed SPA**"), and (ii) Accelmed, the Company each Major Stockholder, and each Additional Investor (as such terms are defined in the Accelmed SPA and together with [SABBY/BROADFIN], "**Other Holders**") has executed and delivered to the Company an undertaking to be subject to the Trading Restrictions (the "**Other Leakout Agreements**").

The obligations of the Holder under this Leak-Out Agreement are several and not joint with the obligations of any Other Holder, and the Holder shall not be responsible in any way for the performance of the obligations of any Other Holder under any such Other Leakout Agreement. Nothing contained in this Leak-Out Agreement, and no action taken by the Holder pursuant hereto, shall be deemed to constitute the Holder and any other holder of the Company's capital stock ("**Other Holders**") as a partnership, an association, a joint venture or any other

kind of entity, or create a presumption that the Holder and the Other Holders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated by this Leak-Out Agreement and the Company acknowledges that the Holder and the Other Holders are not acting in concert or as a group with respect to such obligations or the transactions contemplated by this Leak-Out Agreement or any other agreement. The Company and the Holder confirm that the Holder has independently participated in the negotiation of the transactions contemplated hereby with the advice of its own counsel and advisors.

The Company hereby represents and warrants as of the date hereof and covenants and agrees from and after the date hereof that it will enforce the provisions of the Other Leak-Out Agreements in accordance with their respective terms. If any party to any Other Leak-Out Agreement breaches any provision of such Other Leak-Out Agreement, the Company shall promptly use its best efforts to seek specific performance of the terms of such Other Leak-Out Agreement. The Company hereby represents and warrants that the terms and conditions of the Other Leakout Agreements is not more favorable to the applicable Other Holder than the terms and conditions under this Leakout Agreement. To the extent that the Company, or the Board of Directors, amends, modified or waives compliance as to any terms, conditions and/or provisions of any Other Leak-Out Agreement, the terms, conditions and/or provisions of this Leakout Agreement shall be, without any further action by the Holder or the Company, automatically amended and modified in an economically and legally equivalent manner such that the Holder shall receive the benefit of the more favorable terms, and/or conditions and/or provisions of this Leakout Agreement. The provisions of this paragraph shall apply similarly and equally any Other Leakout Agreement.

[The remainder of the page is intentionally left blank]

Sincerely,

STRATA SKIN SCIENCES, INC.

By: _____
Name:
Title:

Agreed to and Acknowledged:

"HOLDER"

[Sabby funds, Broadfin Healthcare Master Fund, Dolev Rafaeli, Gohan Investments Ltd., Accelmed]

By: _____
Name:
Title:

Annex A

EXHIBIT 10.6

March 30, 2018

TO: STRATA Skin Sciences, Inc.

Reference is hereby made to the Securities Purchase Agreement dated as of March 30, 2018 (the "SPA"), between the undersigned and STRATA Skin Sciences, Inc. (the "Company"), pursuant to which the undersigned agreed to acquire at the Closing (as defined in the SPA) shares of common stock of the Company. To induce the Company to enter into the SPA, the undersigned (i) agrees to vote all voting common stock of the Company over which the undersigned has voting control in favor of the next resolution presented to the shareholders of the Company to approve the issuance, in the aggregate, of more than 19.999% of the number of shares of common stock of the Company outstanding on the date of closing of, and as contemplated by, that certain Securities Purchase Agreement dated as of March 30, 2018 between the Company and Accelmed Growth Partners, L.P., a Cayman Island exempted limited partnership (the "Accelmed SPA"), as is required by the applicable rules and regulations of the Nasdaq Capital Market; and (ii) subject to the Closing under the SPA, waives any consent that may be required to be obtained by the Company from the undersigned, as holder of shares of the Company's Preferred Stock, prior to taking action on matters described in subsections (a) and (b) of Section 8 [Negative Covenants] of the Certificate of Designation of the Series C Convertible Preferred Stock of the Company. Provided, that so long as the Major Stockholders (as defined in the Accelmed SPA) hold in the aggregate in excess of 20% of the Company's shares of capital stock on a fully diluted basis (assuming full conversion of Preferred Stock and exercise of all outstanding warrants and options), the foregoing waiver shall not apply to any new indebtedness that will result in the Company incurring a total outstanding debt for borrowed money in excess of $12 million. This agreement is given in consideration of, and as a condition to enter into the SPA and is not revocable by the undersigned.

Name of Stockholder: _____
Signature of Authorized Signatory of Stockholder: _____
Name of Authorized Signatory: _____
Title of Authorized Signatory: _____

EXHIBIT 10.7

SUBSCRIPTION FOR PURCHASE OF SHARES

in

STRATA Skin Sciences, Inc.

(the "Corporation")

STRATA Skin Sciences, Inc.
100 Lakeside Drive, Suite 100
Horsham, PA 19044

Dear Madam/Sir:

1. Subscription for Shares

1.1. Subscription. Subject to the terms and conditions set forth herein, the undersigned (the "Subscriber"), intending to be legally bound, hereby irrevocably subscribes for and agrees to purchase from the Corporation, 925,926 shares of the Corporation's Common Stock par value $0.001 (the "Shares") at $1.08 per Share, for an aggregate purchase price of $1,000,000 (the "**Commitment**").

1.2. Accelmed Purchase. Subscriber acknowledges that this subscription is submitted in connection with a certain Securities Purchase Agreement dated March 30, 2018 (the "**SPA**") between the Corporation and Accelmed Growth Partners, L.P., a Cayman Island exempted limited partnership ("**Accelmed**"). By the execution hereof, Subscriber agrees to purchase the Shares at the Closing under the SPA (the "**Closing**") for the full amount of the Commitment set forth herein, as may be adjusted by agreement among the Corporation, Subscriber and Accelmed. Subscriber further agrees that the Commitment may be enforced against Subscriber by the Corporation and by Accelmed, either jointly and individually.

1.3. Payment. Subscriber shall pay the Corporation the full Commitment amount by check, draft or other form of payment in immediately available funds, payable to the Corporation on or before the Closing.

1.4. Conditions to Acceptance of Subscription.

1.4.1. Subscriber acknowledges that this subscription is irrevocable, but this subscription and the Commitment shall terminate upon the termination of the SPA prior to Closing for any reason. Subscriber will deliver to the Corporation all other documentation, agreements, representations or requisite government forms required by legal counsel of the Corporation to comply with all securities laws and other applicable laws of the jurisdiction in which Subscriber is resident.

1.4.2. Subscriber understands that the Corporation has the unrestricted right to accept or reject this subscription, but only in whole, at any time up to its written acceptance by the Corporation no later than the Closing.

2. Closing.

2.1. The closing under this subscription shall take place on the date the Closing under the SPA. At the Closing, the Corporation shall issue and deliver to the Subscriber a stock certificate or certificates, registered in the name of the Subscriber, evidencing the Shares being purchased hereunder.

3. Representations, Warranties, Acknowledgments and Agreements of the Subscriber

The Subscriber hereby represents, warrants, acknowledges, understands and agrees (as the case may be) that:

3.1. Shares Not Registered. The Subscriber hereby acknowledges that the Shares will not be issued by the Corporation pursuant to a Registration under the Securities Act of 1933, as amended (the "**Securities Act**"). The term "**Registration**" means registration under the Securities Act and, with respect to the Applicable Laws, such registration thereunder (or, with respect to any of the Applicable Laws which do not provide for registration, such compliance therewith which is similar to registration) which has then resulted in statutory or administration authorization for the proposed transaction; and the term "**Applicable Laws**" means any applicable state securities laws and the rules and regulations thereunder and, to the extent applicable, to offers or sales of securities. Neither the Corporation, nor any other person has any obligation or intention to effect the Registration of the Shares for sale, transfer or disposition by the Subscriber under the Securities Act or the Applicable Laws, or to take any action that would make available any exemption from the Registration requirements of the Securities Act or the Applicable Laws (unless such obligation is granted to Subscriber under a separate writing signed by the Corporation). Subscriber must therefore hold such Shares indefinitely unless a subsequent Registration or exemption therefrom is available and is obtained. No federal or state agency has reviewed the issuance of the Shares pursuant hereto or approved or disapproved the Shares to be issued pursuant hereto for investment or any other purpose. The Shares are issued pursuant hereto in reliance upon a specific exemption from the Registration requirement of the Securities Act which depends, in part, upon the accuracy of the representations, warranties and agreements of Subscriber set forth in this Subscription Agreement.

3.2. Investment Intent. Subscriber is acquiring the Shares for Subscriber's own account as principal, not as a nominee or agent, for investment purposes only, and not with a view to, or for, resale, distribution or fractionalization thereof in whole or in part, which resale, distribution or fractionalization would violate the Securities Act. The Subscriber agrees that a legend to the foregoing effect may be placed upon any and all certificates issued representing the Shares. Further, Subscriber does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to the Shares, for which Subscriber is purchasing.

3.3. Risk. Subscriber is aware that: (i) investment in the Corporation involves a high degree of risk, lacks liquidity and substantial restrictions on transferability of interest; and (ii) no Federal or state agency has made any finding or determination as to the fairness for investment by the public, nor has made any recommendation or endorsement, of the Shares.

3.4. Authorization: This Subscription Agreement has been duly authorized, validly executed and delivered by Subscriber.

3.5. Financial Ability. Subscriber has sufficient financial resources available to support the loss of all or a portion of Subscriber's investment in the Corporation, has no need for liquidity in the investment in the Corporation and is able to bear the economic risk of the investment. Subscriber is sophisticated and experienced in investment matters, and, as a result, is in a position to evaluate an investment in the Corporation.

3.6. Information.

3.6.1. Subscriber acknowledges that Subscriber has been furnished any and all materials that Subscriber requested relating to the Corporation or the offering of the Shares and Subscriber has been afforded the opportunity to ask questions of the senior management and directors of the Corporation concerning the terms and conditions of the offering and to obtain any additional information necessary to verify the accuracy of the information provided to Subscriber and such that Subscriber deems necessary to determine the suitability and advisability of, and the merits and risk of, the purchase of the Shares pursuant hereto. Subscriber understands that such material is current information about the Corporation and does not in any way guarantee future performance or the completion of future proposed events discussed in such material. Subscriber, either alone or with its or its professional advisors, has the capacity to protect its own interests in connection with this transaction.

3.7. Observance of Laws: Subscriber has satisfied [himself/itself] as to the full observance of the laws of Subscriber's jurisdiction in connection with any invitation to subscribe for the Shares or any use of this Subscription Agreement, including (i) the legal requirements within Subscriber's jurisdiction for the purchase and resale of the Shares; (ii) any foreign exchange restrictions applicable to such purchase and resale of the Shares; (iii) any governmental or other consents that may need to be obtained; (iv) the income tax and other tax consequences, if any, that may be relevant to an investment in the Shares; and (v) any restrictions on transfer applicable to any disposition of the Shares imposed by the jurisdiction in which the Subscriber is resident

3.8. Accredited Investor. The Subscriber is an "accredited investor" (as defined in Regulation D under the 1933 Act) and has indicated below the "accredited investor" status applicable to Subscriber. By signing this Subscription Agreement, Subscriber hereby covenants to promptly advise the Corporation if at any time there shall occur a change in Subscriber's accredited investor status.

The Subscriber hereby represents and warrants to the Corporation that the Subscriber is one of the following (please check the box that corresponds to the statement applicable to you):

£ Subscriber is an individual whose individual net worth, or joint net worth with Subscriber's spouse, exceeds $1,000,000.

£ Subscriber is an individual who had an individual income (exclusive of any income attributable to Subscriber's spouse) in excess of $200,000 during each of the two most recent years, and reasonably expects to have an annual individual income for the current year in excess of $200,000.

£ Subscriber is an individual who had joint income with his or her spouse in excess of $300,000 during each of the two most recent years, and reasonably expects to have an annual joint income with his or her spouse for the current year to be in excess of $300,000.

£ Subscriber is an individual who is a director or an executive officer of the Corporation.

£ Subscriber is a trust with total assets in excess of $5,000,000 not formed for the specific purpose of acquiring the Shares and whose purchase of the Shares is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of Regulation D promulgated under the Securities Act.

£ Subscriber is an entity in which all of the equity owners are "accredited investors" (as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act).

£ Subscriber is an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "**Code**"), corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of $5,000,000.

£ Subscriber is a "private business development company" (as such term is defined in Section 202(a)(22) of the Investment Advisors Act of 1940, as amended).

£ Subscriber is a "bank" (as such term is defined in Section 3(a)(2) of the Securities Act), or a "savings and loan association or other institution" (as such term is defined in Section 3(a)(5)(A) of the Securities Act) whether acting in its individual or fiduciary capacity.

£ Subscriber is a broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended.

£ Subscriber is an "insurance company" (as such term is defined in Section 2(13) of the Securities Act).

£ Subscriber is an investment company registered under the Investment Company Act of 1940, as amended, or is a "business development company" (as such term is defined in Section 2(a)(48) of that act).

£ Subscriber is a small business investment company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958, as amended.

£ Subscriber is a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions for the benefit of its employees, if such plan has total assets in excess of $5,000,000.

£ Subscriber is an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, as amended, and the investment decision is made by a "plan fiduciary" (as such term is defined in Section 3(21) of such act), which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if a self-directed plan, with investment decisions made solely by persons that are "accredited investors" (as such term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act).

3.9. Broker-Dealer: The Subscriber is not a broker-dealer as defined in Section 3 of the Securities Exchange Act of 1934, as amended.

3.10. Rule 506(d). The Subscriber represents and warrants to the Corporation as follows:

3.10.1. The Subscriber has NOT been convicted, within ten years before the date hereof, of a felony or misdemeanor:

3.10.1.1. in connection with the purchase or sale of a security;

3.10.1.2. involving the making of a false filing with the SEC; or

3.10.1.3. arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.

3.10.2. The Subscriber is NOT subject to an order, judgment or decree of a court of competent jurisdiction, entered within five years before the date hereof, that, as of the date hereof, restrains or enjoins such Subscriber from engaging or continuing to engage in any conduct or practice:

3.10.2.1. in connection with the purchase or sale of any security;

3.10.2.2. involving the making of a false filing with the SEC; or

3.10.2.3. arising out of the conduct of the business of an underwriter, broker, dealer, municipal securities dealer, investment adviser or paid solicitor of purchasers of securities.

3.10.3. The Subscriber is NOT subject to a final order of a state securities commission (or an agency or officer of a state performing like functions); a state authority that supervises or examines banks, savings associations or credit unions; a state insurance commission (or an agency or officer of a state performing like functions); an appropriate federal banking agency; the U.S. Commodity Futures Trading Commission; or the National Credit Union Administration that:

3.10.3.1. as of the date hereof, bars such Subscriber from (i) association with any entity regulated by such commission, authority, agency or officer, (ii) engaging in the business of securities, insurance or banking or (iii) engaging in savings association or credit union activities; or

3.10.3.2. constitutes a final order based on a violation of a law or regulation that prohibits fraudulent, manipulative or deceptive conduct entered within ten years before the date hereof.

3.10.4. The Subscriber is NOT subject to an order of the SEC entered pursuant to *Section 15(b)* or *15B(c) of the Exchange Act* or *Section 203(e) or (f) of the Advisers Act* that, as of the date hereof:

3.10.4.1. suspends or revokes such Subscriber's registration as a broker, dealer, municipal securities dealer or investment adviser;

3.10.4.2. places limitations on the activities, functions or operations of such Subscriber; or

3.10.4.3. bars such Subscriber from being associated with any entity or from participating in the offering of any penny stock.

3.10.5. The Subscriber is NOT subject to an order of the SEC entered within five years before the date hereof that orders such Subscriber to cease and desist from committing or causing a violation or future violation of:

3.10.5.1. any scienter-based anti-fraud provision of the federal securities laws, including without limitation *Section 17(a)(l) of the Securities Act, Section 10(b) of the Exchange Act* and *Rule 10b-5 under the Exchange Act, Section 15(c)(1) of the Exchange Act and Section 206(1) of the Advisers Act*, or any other rule or regulation thereunder; or

3.10.5.2. Section 5 of the Securities Act.

3.10.6. The Subscriber is NOT suspended or expelled from membership in, or suspended or barred from association with a member of, a registered national securities exchange or a registered national or affiliated securities association for an act or omission to act constituting conduct inconsistent with just and equitable principles of trade.

3.10.7. The Subscriber has NOT filed (as a registrant or issuer), and was NOT named as an underwriter in, a registration statement or Regulation A offering statement filed with the SEC that, within five years before the date hereof, that was the subject of a refusal order, stop order or order suspending the Regulation A exemption, or is, as of the date hereof, the subject of an investigation or proceeding to determine whether a stop order or suspension order should be issued.

3.10.8. The Subscriber is NOT subject to a United States Postal Service false representation order entered within five years before the date hereof, or is, as of the date hereof, subject to a temporary restraining order or preliminary injunction with respect to conduct alleged by the United States Postal Service to constitute a scheme or device for obtaining money or property through the mail by means of false representations.

4. Miscellaneous

4.1. Definition. All pronouns and any variations thereof used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons may require. The headings contained in this Subscription Agreement are for convenience purposes only and will not affect in any way the meaning or interpretation of this Subscription Agreement.

4.2. Corporation's Representations and Warranties; Indemnification.

4.2.1. The Corporation's representations and warranties set forth in Section 2 of the SPA are incorporated by reference as if fully set forth herein for the benefit of Subscriber. In consideration of Subscriber's execution and delivery of this Subscription Agreement and

acquiring the Corporation's shares of Common Stock as set forth herein, the Corporation shall defend, protect, indemnify and hold harmless Subscriber and its affiliates (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements, (collectively the "Losses") incurred by any Indemnitee as a result of, or arising out of, or relating to, any claim (whether direct or derivative) of a breach of fiduciary duty by the Board of Directors of the Corporation (or any committee thereof), or by any director or by any stockholder, in connection with this Subscription Agreement and the transactions contemplated herein; provided, however, that the Indemnitees shall not be entitled to seek indemnification under this Section 9.11 until the aggregate amount of all Losses exceed $100,000 in the aggregate, and then the Indemnitees shall only be entitled to indemnification for Losses in excess of such amount; and provided, further, that the aggregate amount of all payments to which the Indemnitees shall be entitled to receive pursuant to this Section 9.11 shall in no event exceed the Commitment amount.

4.2.2 Section 9.11.3 [Retained Risk] of the SPA is incorporated as if fully set forth herein, except that all references therein to "Buyer" shall instead refer to "Subscriber" in its final form will be inserted here.

4.3. Entire Agreement. This Subscription Agreement, together with the documents referenced herein, constitute the entire understanding among the parties with respect to the subject matter hereof, and supersede any prior understanding and/or written or oral agreements among them. This Subscription Agreement may not be changed or modified, except by an agreement in writing signed by each of the parties hereto.

4.4. Binding Effect; Successors and Assigns. The Subscriber agrees not to transfer or assign this Subscription Agreement, or any of the Subscriber's interest herein, and further agrees that the transfer or assignment of the Shares shall be made only in accordance with applicable laws and the terms of this Subscription Agreement. Subject to the foregoing, this Subscription Agreement shall be binding upon and inure to the benefits of the parties hereto, their successors and assigns.

4.5. Severability: If one or more provisions of this Subscription Agreement is held to be unenforceable under applicable law, such provisions will be excluded from this Subscription Agreement and the balance of this Subscription Agreement will be enforceable in accordance with its terms

4.6. Governing Law. This Subscription Agreement shall be governed by the laws of the state of Delaware applicable to contracts made and wholly performed in that jurisdiction. Exclusive venue for any action arising under, or related to, this Agreement shall be in the State Courts of the State of Delaware, and Subscriber hereby submits to the personal jurisdiction of such Courts. Service of process on Subscriber may be effected by certified or registered mail.

4.7. Notices. All notices or other communications hereunder shall be in writing and shall be delivered by hand or mailed by registered or certified mail, return receipt requested, to the Subscriber at the addresses provided below and the Corporation at its registered office. The

Corporation and the Subscriber may change their addresses for notices by written notice to each other, as required.

4.8. Legends. The Subscriber acknowledges that a legend will be placed on the stock certificates representing the Shares, which will read as set forth below:

> THE SHARES HAVE NOT BEEN REGISTERED UNDER EITHER THE 1933 ACT OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND THOSE LAWS. THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE 1933 ACT AND THE SECURITIES LAWS OF CERTAIN STATES PURSUANT TO REGISTRATION OR EXEMPTION FROM REGISTRATION. THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THOSE AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OF THE SHARES.

[Remainder of Page Intentionally Left Blank.]

IN WITNESS WHEREOF, Subscriber has executed this Subscription Agreement, intending to irrevocably legally bind Subscriber and the personal representatives, successors and assigns of Subscriber, this 30th day of March, 2018.

COMPANY

By: _____
Signer

Mailing Address:
Company
Address

The Corporation hereby accepts the foregoing subscription for 925,926 shares of Common Stock, par value $0.001 for the aggregate purchase price of $1,000,000 as of _____, 2018.

STRATA Skin Sciences, Inc.

By: _____
Name: _____
Title: _____

EXHIBIT 10.8

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (the "Agreement") is made as of the 30th day of March, 2018, by and between Dolev Rafaeli, a resident of New Jersey (the "**Executive**"), and STRATA Skin Sciences, Inc., a Delaware corporation (the "**Company**").

WHEREAS, the Company desires to employ the Executive and the Executive desires to be employed by the Company upon the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and intending to be legally bound, the parties, subject to the terms and conditions set forth herein, agree as follows:

1. Employment and Term. The Company hereby employs the Executive, and Executive hereby accepts employment with the Company, as Chief Executive Officer (CEO) and President (the "**Position**") for a period commencing April 10, 2018 and continuing until the third (3rd) anniversary of the "**Closing**", as such term is defined in that certain Securities Purchase Agreement (the "**SPA**"), dated as of March 30, 2018, by and between the Company and Accelmed Growth Partners, L.P., subject to the provisions of Section 8 hereof (the "**Initial Term**"). Subject to the provisions of Section 8 hereof, at the end of the Initial Term, this Agreement shall automatically renew for additional terms of one (1) year each (together with the Initial Term, the "**Term**"); except that this Agreement shall terminate at the end of the then current Term upon written termination notice by one party to the other no less than sixty (60) days prior to the end of the then current Term. *Anything set forth in this Agreement to the contrary notwithstanding, this Agreement and the Executive's employment with the Company shall terminate immediately upon the termination of the SPA prior to Closing thereunder for any reason, and the Executive shall be deemed to have delivered a Resignation Notice under Section 8.6 hereof effective upon such termination of the SPA.*

2. Duties. During the Term, the Executive shall serve the Company faithfully and to the best of his ability and shall devote his full business time, attention, skill and efforts to the performance of the duties required by or appropriate for the Position. The Executive agrees to assume such duties and responsibilities as may be customarily incident to such a position.

3. Other Business Activities. During the Term, except as otherwise provided herein, the Executive will not, without the prior written consent of the Board of Directors of the Company in its sole discretion, directly or indirectly engage in any other business activities or pursuits, except activities in connection with charitable or civic activities, personal investments and serving as an executor, trustee or in other similar fiduciary capacity; provided, that such activities do not interfere with his performance of his responsibilities and obligations pursuant to this Agreement. Notwithstanding the foregoing, Executive may serve as a non-executive member of up to two (2) boards (or functionally similar governing bodies of non-corporate entities) of for-profit companies not engaged in any business that is competitive with the Company's business.

4. Compensation. The Company shall pay the Executive, and the Executive hereby agrees to accept, as compensation for all services rendered hereunder and for the Executive's covenants provided for in Sections 5, 6 and 7 hereof, the compensation set forth in this Section 4.

4.1. Base Salary. The Company shall pay the Executive a base salary at the annual rate of four hundred thousand dollars ($400,000) (the "**Base Salary**"), pro-rated for partial employment years. The Base Salary shall be inclusive of all applicable income, social security and other taxes and charges that are required by law to be withheld by the Company, are requested to be withheld by the Executive, and shall be withheld and paid in accordance with the Company's normal payroll practice for its similarly situated employees from time to time in effect.

4.2. Bonus Program.

4.2.1 The Executive shall be entitled to an annual bonus (the "**Bonus**") based upon the performance of the Company's business during the relevant quarters of each fiscal year ("**FY**"). The Bonus shall be determined and paid as follows:

4.2.2 No Bonus shall be earned in a FY unless the following adjusted EBITDA as presented by the company in quarterly earning calls or any other SEC disclosures (the "**Adjusted EBITDA**") targets are achieved during such FY:

(i) for each of FY 2018 and 2019 -- a positive Adjusted EBITDA;
(ii) for FY 2020 -- $5 million Adjusted EBITDA; and
(iii) for FY 2021 -- $10 million Adjusted EBITDA.

4.2.3 Bonus for any FY shall be deemed earned upon the achievement of the relevant Adjusted EBITDA target in each quarter of the FY. The Bonus amount (if the relevant Adjusted EBITDA target is achieved) will be deemed earned quarterly but paid annually, and calculated separately for each quarter during the relevant FY. Notwithstanding the foregoing sentence, (i) in the event of a termination under Section 8 for any reason other than (x) by the Company for Cause (Section 8.3) or (y) by the Executive without Good Reason (Section 8.6), the earned Bonus through the date of termination shall be paid in accordance with the relevant terms set forth in Section 8, and (ii) no Bonus for the then current year shall be paid in the event of a termination under Sections 8.3 or Section 8.4. The Bonus amount is a percentage of the aggregate collected revenue during the relevant quarter (a "Bonus Quarter") from all installed laser machines (pro-rated for machines installed during a quarter), and the percentage is determined based on the following schedule (based on the Company's audited financial statements):

Average Revenue per Machine ("**ARM**") during the Quarter	Bonus (as percentage of total company revenue for the relevant Quarter)
Up to $8,100	0.50%
$ 8,101-$9,600	0.80%

$	9,601-$11,000	1.20%
	Above 11,001	1.50%

4.3. Options; Transfer Restrictions. Executive shall be awarded options under the Company's 2016 Omnibus Incentive Plan (the "**Plan**") as follows:

4.3.1 The Executive shall be awarded options (the "**Options**") under the Plan for a number of shares equal to 7.5% of the Company's equity on a fully diluted basis (the "**Fully Diluted Equity**") as of immediately following Closing (taking into account also the Options). The Options shall be awarded as follows:

(i) 1,557,628 Options shall be awarded effective March 30, 2018, subject to execution by Executive of this Agreement, at an exercise price per share of $1.12; and

(ii) The balance of the Options (up to 7.5% of the Fully Diluted Equity) shall be awarded upon approval by the Company's stockholders of the SPA and the transactions contemplated thereby (including the award of the Options) at the Meeting (as defined in the SPA), at the closing trading price of the Company's shares of Common Stock on Nasdaq on the day of the Meeting.

4.3.2 The Options shall terminate in the event of a termination of the SPA prior to Closing thereunder.

4.3.3. Subject to Closing under the SPA, the Options shall vest over a period of three (3) years, with [1][_____] Options vesting each three (3) calendar months period (a "**Vesting Quarter**"), on the first day of the calendar month following the end of such Vesting Quarter. (The first Vesting Quarter shall begin on the first calendar day following the Closing, and the first [2] [____] vesting shall therefore occur on the first day of the calendar month that begins after ninety (90) days following Closing).

4.3.4 During the Term, all unvested Options shall vest immediately upon the consummation of any transaction resulting in a "Change of Control" as defined in the Plan. There shall be no acceleration of vesting of Options except as set forth in this Section, in Section 8.4 [termination Without Cause] and Section 8.5 [termination for Good Reason].

4.3.5 Except as expressly provided herein, the Options shall be subject to the provisions of the Plan, as may be amended from time to time.

[1] Number of options to be inserted once calculated

[2] Number of options to be inserted once calculated

4.3.6 Executive shall not effect any sale, transfer or other disposition (a "**Transfer**") of any shares issued upon the exercise of Options (the "**Option Shares**") within the first eighteen (18) months of the Closing.

4.3.7 During the Term, the Executive shall not effect a Transfer of any shares of the Company's Common Stock (whether or not Option Shares) (the "**Company Shares**") at a price per share below 120% of the PPS (as defined in the SPA) prior to January 1, 2019, and thereafter, shall not sell any Company Shares other than at a price per share reflecting no less than 25% IRR on the PPS (as more specifically set forth on Schedule 4.3.6 attached hereto.

4.3.8 The term "**Executive's Closing Equity Interest**" means the percentage of the Company's Fully Diluted Equity beneficially owned by the Executive immediately following the Closing (including Options and Company Shares issued to the Executive at the Closing as contemplated by the SPA). During the Term, the Executive shall not effect any Transfer of Company Shares unless following such Transfer, Executive remains the beneficial owner of Company Shares and unexercised Options (whether or not vested) constituting in the aggregate a percentage of the then Fully Diluted Equity that is no less than 50% of the Executive's Closing Equity Interest.

4.4. Fringe Benefits. The Executive shall be entitled to participate in any health, life insurance, dental, retirement, savings, disability insurance, and other fringe benefit programs (collectively the "**Benefits**") of the Company to the extent and on no less favorable terms and conditions as are accorded to any other executive of the Company.

4.5. Reimbursement of Expenses. The Executive shall be reimbursed for all normal items of travel and entertainment and miscellaneous expenses reasonably incurred by him on behalf of Company no later than 90 days from when expenses are incurred and submitted for reimbursement, provided that such expenses are documented and submitted to the Company all in accordance with the expenses and reimbursement policies of the Company as in effect from time to time, including, without limitation:

4.5.1 Reasonable and customary mileage, tolls and overnight stays in connection with the Executive's regular commute.

4.5.2 Company shall provide Executive with a cellular phone and shall order a land line at the Executive's residence, for Executive's use. The Company shall pay all expenses related to the cellular phone and the land line and the use thereof.

4.5.3 Reasonable attorneys' fees in connection with the negotiation of this Agreement and any amendments hereto, in the amount of $10,000 upon execution hereof.

4.6. Board Position. During the Term and as long as the Executive serves in the Position, the Executive shall be nominated for election as director at each annual meeting of the Company's stockholders; provided, that the foregoing shall not be deemed a contract right and the Executive shall not be entitled to any remedy merely by reason of the failure to elect him as director.

4.7 Indemnification. The Executive shall have the right to indemnification by the Company to the fullest extent allowed by law, and on no less favorable terms and conditions than are provided to other directors and/or officers of the Company in the Company's charter, bylaws or individual indemnification agreements, if any, and shall be covered by any Directors and Officers Insurance maintained by the Company from time to time.

4.8 Vacation. The Executive shall be entitled to annual vacation of 21 days plus ten established holiday days per full calendar year of his employment with the Company hereunder. [Any unused vacation in one accrued calendar year may not be carried over to any subsequent calendar year. The Company shall, however, pay the Executive (based on the Executive's Base Salary) for any such unused vacation days within 30 days of the end of any such calendar year.

5. Confidentiality.

5.1. The Executive recognizes and acknowledges that he will obtain Proprietary Information (as hereinafter defined) of the Company and its affiliates (collectively the "**Strata Group**") in the course of his employment as an executive employee of the Company. The Executive further recognizes and acknowledges that the Proprietary Information is a valuable, special and unique asset of the Company and the Strata Group. As a result, the Executive shall not, without the prior written consent of the Company, for any reason either directly or indirectly divulge to any third-party or use for his own benefit, or for any purpose other than the exclusive benefit of the Company, any confidential, proprietary, business and technical information or trade secrets (the "**Proprietary Information**") of the Company or any other Strata Group entity revealed, obtained or developed in the course of his employment with the Company. Proprietary Information shall include, but shall not be limited to, any information relating to methods of production, manufacture and research; computer hardware and software configurations, computer inputs and outputs (regardless of the media on which stored or located) and computer processing systems, techniques, designs, architecture, and interfaces; the identities of, the relationship with, the terms of contracts and agreements with, the needs and requirements of, and the course of dealing with, the respective Strata Group entities' actual and prospective customers, contractors and suppliers; and any other materials prepared by the Executive in the course of his employment by the Company, or prepared by any other employee or contractor of the Strata Group for the Strata Group's customers, (including concepts, layouts, flow charts, specifications, know-how, plans, sketches, blueprints, costs, business studies, business procedures, finances, marketing data, methods, plans, personnel information, customer and vendor credit information and any other materials that have not been made available to the general public). Nothing contained herein shall restrict the Executive's ability to make such disclosures during the course of his employment with the Company as may be necessary or appropriate to the effective and efficient discharge of the duties required by or appropriate for the Position or as such disclosures may be required by law. Furthermore, nothing contained herein shall restrict the Executive from divulging or using for his own benefit or for any other purpose any Proprietary Information that is readily available to the general public so long as such information did not become available to the general public as a direct or indirect result of the Executive's breach of this Section 5. Failure by the Company (or any other Strata Group entity)

to mark any of the Proprietary Information as confidential or proprietary shall not affect its status as Proprietary Information under the terms of this Agreement.

5.2. All right, title and interest in and to Proprietary Information shall be and remain the sole and exclusive property of the respective Strata Group entity. During the Term, the Executive shall not remove from the Company's offices or premises any documents, records, notebooks, files, correspondence, reports, memoranda or similar materials of or containing Proprietary Information, or other materials or property of any kind belonging to the Company unless appropriate in accordance with the duties and responsibilities of the Position and, in the event that such materials or property are removed, all of the foregoing shall be returned to their proper files or places of safekeeping as promptly as possible after the removal shall serve its specific purpose. The Executive shall not make, retain, remove and/or distribute any copies of any of the foregoing for any reason whatsoever except as may be appropriate in the discharge of the assigned duties and shall not divulge to any third person the nature of and/or contents of any of the foregoing or of any other oral or written information to which he may have access or with which for any reason he may become familiar, except as disclosure shall be appropriate in the performance of the duties; and upon the termination of his employment with the Company, he shall return to the Company all originals and copies of the foregoing then in the possession, whether prepared by the Executive or by others.

6. Assignment of Developments

6.1. If at any time or times during the Executive's employment with the Company, he shall (either alone or with others) make, discover or reduce to practice any invention, modification, discovery, design, development, improvement, process, software program, work of authorship, documentation, formula, data, technique, know-how, secret or intellectual property right whatsoever or any interest therein (whether or not patentable or registrable under copyright or similar statutes or subject to analogous protection) (herein called "**Developments**") that (i) relates to the then current business of the Company, or to any then current customer of or supplier to the Company or any of the products or services being developed, manufactured or sold by the Company, (ii) results from tasks assigned to the Executive by the Company or (iii) results from any use of premises or personal property (whether tangible or intangible) owned, leased or contracted for by the Company, such Developments and the benefits thereof shall immediately become the sole and absolute property of the Company and its assigns, and the Executive shall promptly disclose to the Company (or any persons designated by it) each such Development and the Executive hereby assigns any rights he may have or acquire in the Developments, and benefits and/or rights resulting therefrom, to the Company and its assigns without further compensation and shall communicate, without cost or delay, and without publishing the same, all available information relating thereto (with all necessary plans and models) to the Company.

6.2. Upon disclosure of each Development to the Company, the Executive will, during his employment with the Company, and at any time thereafter, at the request and cost of the Company, sign, execute, make and do all such deeds, documents, acts and things as the Company and its duly authorized agents may reasonably require (i) to apply for, obtain and vest in the name of the Company alone (unless the Company otherwise directs) letters patent,

copyrights or other analogous protection in any country throughout the world and when so obtained or vested to renew and restore the same; and (ii) to defend any opposition proceedings in respect of such applications and any opposition proceedings or petitions or applications for revocation of such letters patent, copyright or other analogous protection.

6.3. In the event the Company is unable, after all diligent effort, to secure the Executive's signature on any letters patent, copyright or other analogous protection relating to a Development, whether because of the Executive's physical or mental incapacity or for any other reason whatsoever, the Executive hereby irrevocably designate and appoint the Company through its duly authorized president as his agent and attorney-in-fact, to act for and in his behalf and stead solely to execute and file any such application or applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent, copyright or other analogous intellectual property protection thereon with the same legal force and effect as if executed by him.

7. Covenant not to Compete.

7.1. The Executive shall not, during the Term and for a period of one (1) year after termination hereof for any reason whatsoever (the "**Restricted Period**"), do any of the following directly or indirectly without the prior written consent of the Company in its sole discretion:

7.1.1. engage or participate, directly or indirectly, in any business activity competitive with the business of the Company (the "**Business**") as conducted during the Term;

7.1.2. become interested (as owner, stockholder, lender, partner, co-venturer, director, officer, employee, agent, consultant or otherwise) in any person, firm, corporation, association or other entity engaged in any business that is competitive with the Business as conducted during the Term, or become interested in (as owner, stockholder, lender, partner, co-venturer, director, officer, employee, agent, consultant or otherwise) any portion of the business of any person, firm, corporation, association or other entity where such portion of such business is competitive with the Business as conducted during the Term (notwithstanding the foregoing, the Executive may hold not more than one percent (1%) of the outstanding securities of any class of any publicly-traded securities of a company that is engaged in activities competitive with the Business as conducted during the Term).

7.1.3. influence or attempt to influence any supplier, customer or potential customer of the Company to terminate or modify any written or oral agreement or course of dealing with the Company; or

7.1.4. influence or attempt to influence any person either (i) to terminate or modify the employment, consulting, agency, distributorship or other arrangement with the Company or the Strata Group, or (ii) to employ or retain, or arrange to have any other person or entity employ or retain, any person who has been employed or retained by the Company or the Strata Group as an employee, consultant, agent or distributor of the Company or the Strata Group at any time during the one (1) year period immediately preceding the termination of the Executive's employment hereunder.

7.2. The Executive acknowledges that he has carefully read and considered the provisions of this Section 7. The Executive acknowledges that the foregoing restrictions may limit his ability to earn a livelihood in a business similar to the Business, but he nevertheless believes that he has received and will receive sufficient consideration and other benefits in connection with the payment by the Company of the compensation set forth in Section 4 to justify such restrictions, which restrictions the Executive does not believe would prevent him from earning a living in businesses that are not competitive with the Business and without otherwise violating the restrictions set forth herein.

7.3. Any reference to the "Company" in Section 7.1 above shall mean the Company and its direct and indirect subsidiaries, individually and collectively, as appropriate in context.

8. Termination. The Executive's employment hereunder may be terminated during the Term upon the occurrence of any one of the events described in this Section 8. Upon termination, the Executive shall be entitled only to such compensation and benefits as described in this Section 8.

8.1. Termination for Disability.

8.1.1. In the event of a disability (as defined in the Company's medical benefits plans in effect from time to time) of the Executive such that Executive is unable to perform the duties and responsibilities hereunder to the full extent required by this Agreement, Executive's employment hereunder may be terminated by the Company by written notice to Executive.

8.1.2. In the event of a termination of Executive's employment hereunder pursuant to Section 8.1.1, Executive shall be entitled to receive all accrued but unpaid (as of the effective date of such termination) Base Salary, Bonus and Benefits, plus, in the event such termination occurs during the Initial Term, a lump sum severance payment equal to the Base Salary through the end of the Initial Term, unless the Company failed to reach the following "**ARM Targets**" in the immediately preceding 12 months period: (i) $7,664 for FY 2019, (ii) $8,622 for FY 2020, and $9,580 for FY 2021. The applicable ARM Targets will be deemed achieved if termination under Section 8.1 occurs within 12 months of Closing

8.1.3 If the Executive timely and properly elects health continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Company shall reimburse the Executive for the monthly COBRA premium paid by the Executive for himself and his dependents. Such reimbursement shall be paid to the Executive on the 1st day of the month immediately following the month in which the Executive timely remits the premium payment. The Executive shall be eligible to receive such reimbursement until the earliest of: (i) the eighteen-month anniversary of the termination date; (ii) the date the Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which the Executive receives substantially similar coverage from another employer or other source.

8.1.4. Except as specifically set forth in this Section 8.1, the Company shall have no liability or obligation to the Executive hereunder by reason of such termination for disability,

except that Executive will be entitled to receive the payment prescribed under any death or disability benefits plan in which he is a participant as an employee of the Company, and to exercise any rights afforded under any benefit plan then in effect.

8.2. Termination by Death.

8.2.1 In the event that the Executive dies during the Term, the Executive's employment hereunder shall be terminated thereby and the Company shall pay to the Executive's executors, legal representatives or administrators an amount equal to the amounts that would have been paid under Section 8.1.2.

8.2.2. If any or all of the Executive's qualified beneficiaries (each a "Beneficiary") timely and properly elect health continuation coverage under the COBRA, the Company shall reimburse each Beneficiary for the monthly COBRA premium paid by or on behalf of the Beneficiary. Such reimbursement shall be paid to the Beneficiary on the 1st day of the month immediately following the month in which the Beneficiary timely remits the premium payment. The Beneficiary shall be eligible to receive such reimbursement until the earliest of: (i) the thirty-six month anniversary of the termination date; (ii) the date the Beneficiary is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which the Beneficiary receives substantially similar coverage from another employer or other source.

8.2.3. Except as specifically set forth in this Section 8.2, the Company shall have no other liability or obligation hereunder to the Executive's executors, legal representatives, administrators, heirs or assigns (or any other person claiming under or through him by reason of the Executive's death), except that the Executive's executors, legal representatives or administrators will be entitled to receive the payment prescribed under any death benefits plan in which he is a participant as an employee of the Company, and to exercise any rights afforded under any benefit plan then in effect.

8.3. Termination for Cause.

8.3.1. The Company may terminate the Executive's employment hereunder at any time during the Term for "cause" upon written notice to the Executive. For purposes of this Agreement, "cause" shall mean any one or more of the following:

8.3.1.1 Breach by the Executive of any of the covenants set forth in Section 5, 6, and 7 hereof (collectively the "**Undertakings**"), and a failure to cease or cure (to the extent it can be cured), as the case may, be such breach after fourteen (14)days written notice thereof by the Company;

8.3.1.2 Gross negligence or willful misconduct in carrying out the duties of the Position which continue for a period of, and failure to cure the results of the gross negligence or willful misconduct, within thirty (30) days of written notice from the Company detailing the wrongful conduct;

8.3.1.3 Conduct that would deem the Executive a "bad actor" for SEC purposes, or conduct determined by the Arbitrator (defined below) to involve any type of (i)

intentional tort resulting in material harm to the Company, or (ii) disloyalty to the Company, including without limitation fraud, embezzlement, theft or proven intentional dishonesty (including willful breach of any of the Undertakings which cannot be cured without harm to the Company);

8.3.1.4 Commission of a felony or other criminal act punishable by more than one (1) year in prison, in each case as determined by the Arbitrator regardless of actual prosecution.

8.3.2. In the event of a termination of the Executive's employment hereunder pursuant to Section 8.3 Executive shall be entitled to receive all accrued but unpaid (as of the effective date of such termination) Base Salary and Benefits. All Base Salary and Benefits shall cease at the time of such termination. Executive shall not be entitled to receive any Bonus (whether or not then earned) for the then FY, and all unvested Options shall expire upon such termination. Except as specifically set forth in this Section 8.3, the Company shall have no other liability or obligation to the Executive hereunder by reason of such termination for cause.

8.4. Termination Without Cause.

8.4.1. During the Term, the Company may terminate the Executive's employment hereunder at any time, for any reason whatsoever, with or without cause, effective upon the date designated by the Company in written notice to Executive given no less than ninety (90) days (the "**Notice Period**") prior to the designated termination date.

8.4.2. During the Notice Period, the Executive (i) shall not be entitled to retain the Position, and (ii) shall cooperate in good faith with the Company in transitioning the duties of the Position to one or more successors as determined by the Board of Directors.

8.4.3. In the event of a termination of the Executive's employment hereunder pursuant to Section 8.4, the Executive shall be entitled to receive all accrued but unpaid (as of the effective date of such termination) Base Salary, Benefits and a pro-rata amount of the annual Bonus that would have been earned on account of the Bonus Quarters in the then current FY that ended prior to such termination. All unvested Options shall immediately vest upon such termination, and in the event such termination occurs during the Initial Term, the Executive shall be paid a lump sum severance payment equal to the Base Salary through the end of the Initial Term.

8.4.4. If the Executive timely and properly elects health continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Company shall reimburse the Executive for the monthly COBRA premium paid by the Executive for himself and his dependents. Such reimbursement shall be paid to the Executive on the 1st day of the month immediately following the month in which the Executive timely remits the premium payment. The Executive shall be eligible to receive such reimbursement until the earliest of: (i) the eighteen-month anniversary of the termination date; (ii) the date the Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which the Executive receives substantially similar coverage from another employer or other source.

8.4.5. The Company may, at its sole discretion, in lieu of continuing the Executive's employment during the Notice Period (or any part thereof) terminate the Executive's employment immediately during the Notice Period by written notice to the Executive, and pay the Executive, as liquidated damages, an amount equal to the Base Salary, Benefits and other payments which the Executive would have been entitled to had his employment continued from the date of such termination until the end of the Notice Period. Any such payment shall be made on such dates, and in such form, as would have been made had the Executive's employment continued until the end of the Notice Period.

8.4.6. Except as specifically set forth in this Section 8.4, the Company shall have no other liability or obligation to the Executive hereunder by reason of such termination without cause.

8.5. Termination for Good Reason.

8.5.1. The Executive may terminate the Executive's employment hereunder at any time during the Term for "Good Reason" effective upon the date designated by the Executive in written notice of the termination of the employment hereunder pursuant to this Section 8.5. For purposes of this Agreement, "Good Reason" shall mean:

8.5.1.1 Failure by the Company to pay, within ten (10) days of a written notice by the Executive to the Company identifying such failure, any compensation to be paid to the Executive pursuant to the express terms of this Agreement;

8.5.1.2 Any material breach by the Company (as determined by the Arbitrator) of any non-payment obligations hereunder which is not cured within thirty (30) days after the Company's receipt of written notification from the Executive detailing such breach;

8.5.1.3 A removal of Executive from the position of CEO or a material reduction of the Executive's Base Salary; or

8.5.1.4 A "Change of Control" as defined in the Plan which results in actual net proceeds to the Company's stockholders of no less than $1.08 per share of Common Stock then outstanding on a fully diluted basis, including conversion of all preferred stock to Common Stock.

8.5.2. In the event of a termination of the Executive's employment hereunder pursuant to Section 8.5, the Executive shall be entitled to receive all accrued but unpaid (as of the effective date of such termination) Base Salary, Benefits and a pro-rata amount of the annual Bonus that would have been earned on account of the Bonus Quarters in the then current FY that ended prior to such termination. All unvested Options shall immediately vest upon such termination, and in the event such termination occurs during the Initial Term, the Executive shall be paid a lump sum severance payment equal to the Base Salary for each year through the end of the Initial Term.

8.5.3. If the Executive timely and properly elects health continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Company

shall reimburse the Executive for the monthly COBRA premium paid by the Executive for himself and his dependents. Such reimbursement shall be paid to the Executive on the 1st day of the month immediately following the month in which the Executive timely remits the premium payment. The Executive shall be eligible to receive such reimbursement until the earliest of: (i) the eighteen-month anniversary of the termination date; (ii) the date the Executive is no longer eligible to receive COBRA continuation coverage; and (iii) the date on which the Executive receives substantially similar coverage from another employer or other source.

8.5.4. Except as specifically set forth in this Section 8.5, the Company shall have no other liability or obligation to Executive hereunder by reason of such termination for good reason.

8.6. Termination Without Good Reason.

8.6.1. The Executive may terminate the Executive's employment hereunder at any time, for any reason, with or without Good Reason, effective upon the date designated by Executive upon no less than ninety (90) days prior written notice to the Company (the "**Resignation Notice**"), of the termination of his employment hereunder. The Company shall then have the right to terminate the Executive's employment immediately upon written notice to the Executive.

8.6.2. In the event of a termination of the Executive's employment hereunder pursuant to Section 8.6 hereof, the Executive shall be entitled to receive all accrued but unpaid (as of the effective date of such termination) Base Salary and Benefits. All unvested Options shall expire upon delivery of the Resignation Notice, and all Base Salary and Benefits shall cease at the time of such termination, subject to the terms of any benefit plan then in force and applicable to Executive. The Executive shall not be entitled to receive any Bonus on account of the then current FY.

8.6.3 Except as specifically set forth in this Section 8.6, the Company shall have no liability or obligation to the Executive hereunder by reason of such termination without good reason.

8.7 Release. Notwithstanding the foregoing provisions of this Section 8, except for the Base Salary, Accrued Bonus, and Benefits through the date of the employment termination, the Executive shall not be entitled to any other payments described in this Section 8, and no unvested Options shall vest by reason of such termination, unless the Executive has delivered to the Company, and has not revoked, a general release (in customary form and substance and reasonably acceptable to the Company) of all claims arising out of, or related to, the Executive's employment with the Company or the termination thereof, except for rights expressly set forth herein.

9. Representations, Warranties and Covenants of the Executive.

9.1. Executive represents and warrants to the Company that:

9.1.1. There are no restrictions, agreements or understandings whatsoever to which the Executive is a party which would prevent or make unlawful the Executive's execution of this Agreement or the Executive's employment hereunder, or which is or would be inconsistent or in conflict with this Agreement or the Executive's employment hereunder, or would prevent, limit or impair in any way the performance by the Executive of the obligations hereunder; and

9.1.2. The Executive is not subject to any written or oral agreement or obligation to any other employer, person or entity which would prohibit Executive from discharging his duties to the Company.

10. Survival of Provisions. The provisions of this Agreement set forth in Sections 5, 6, 7, 9, 10, 16 and 19 hereof shall survive the termination of Executive's employment hereunder for any reason whatsoever.

11. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Company and the Executive and their respective successors, executors, administrators, heirs and/or permitted assigns; provided that neither the Executive nor the Company may make any assignments of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other parties hereto; except that, without such consent, the Company may assign this Agreement to any successor to all or substantially all of its assets and business by means of liquidation, dissolution, merger, consolidation, transfer of assets, or otherwise, provided that such successor assumes in writing all of the obligations of the Company under this Agreement.

12. Section 409A. It is intended that this Agreement will comply with, or be exempt from, Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**") and any regulations and guidelines promulgated thereunder, to the extent the Agreement is subject thereto, and the Agreement shall be interpreted on a basis consistent with such intent. Notwithstanding any provision in this Agreement to the contrary—

12.1 The payment (or commencement of a series of payments) hereunder of any nonqualified deferred compensation (within the meaning of Section 409A of the Code) upon a termination of employment shall be delayed until such time as the Executive has also undergone a "separation from service" as defined in Treas. Reg. 1.409A-1(h), at which time such nonqualified deferred compensation (calculated as of the date of Executive's termination of employment hereunder) shall be paid (or commence to be paid) to the Executive on the schedule set forth in this Agreement as if the Executive had undergone such termination of employment (under the same circumstances) on the date of his ultimate "separation from service."

12.2 If the Executive is a "specified employee" of the Company under Section 409A of the Code at the time of his separation from service and if payment of any amount under this Agreement is required to be delayed for a period of six months after separation from service to meet the requirements of Section 409A(a)(2)(B)(i) of the Code, payment of such amount shall be delayed as required by Section 409A, and the accumulated postponed amount shall be paid in a lump sum payment within 10 days after the end of the six-month period. If the Executive dies

during the postponement period prior to the payment of postponed amount, the amounts withheld on account of section 409A shall be paid to the personal representative of the Executive's estate within 60 days after the date of the Executive's death. The determination of whether Executive is a specified employee, including the number and identity of persons considered key employees and the identification date, shall be made by the Board in accordance with the provisions of Sections 416(i) and 409A of the Code and the regulations issued thereunder.

12.3 For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments, and each payment made under the Agreement shall be treated as a separate payment for purposes of 409A of the Code. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (e.g., "payment shall be made within thirty (30) days following the date of termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company. In no event may the Executive, directly or indirectly, designate the calendar year of payment.

12.4 All reimbursements and in kind benefits, if any, provided under this Agreement shall be made or provided in accordance with the requirements of Section 409A of the Code, including, where applicable, the requirement that (i) any reimbursement is for expenses incurred during the Executive's lifetime (or during a shorter period of time specified in this Agreement), (ii) the amount of expenses eligible for reimbursement, or in kind benefits provided, during a fiscal year may not affect the expenses eligible for reimbursement, or in kind benefits to be provided, in any other fiscal year; *provided*, that the foregoing clause shall not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Code solely because such expenses are subject to a limit related to the period the arrangement is in effect, (iii) the reimbursement of an eligible expense will be made on or before the last day of the fiscal year following the year in which the expense is incurred, and (iv) the right to reimbursement or in kind benefits is not subject to liquidation or exchange for another benefit. Any tax gross-up payment provided for under this Agreement shall in no event be paid to the Executive later than December 31 of the calendar year following the calendar year in which such taxes are remitted by the Executive.

13. Code Section 280G/4999. Notwithstanding anything in this Agreement to the contrary, if any of the payment or payments or other benefit to the Executive (prior to any reduction below) provided for in this Agreement, together with any other payment or payments or other benefit which the Executive has the right to receive from the Company or any corporation which is a member of an "affiliated group" as defined in Section 1504(a) of the Code, without regard to Section 1504(b) of the Code, of which the Company is a member (the "**Payments**") would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), and if the Safe Harbor Amount (defined below) is greater than the Taxed Amount (defined below), then the total amount of such Payments shall be reduced to the Safe Harbor Amount. The "Safe Harbor Amount" is the largest portion of the Payments that would result in no portion of the Payments being subject to the excise tax set forth at Section 4999 of the Code ("**Excise Tax**"). The "Taxed Amount" is the total amount of the Payments (prior to any reduction, above) notwithstanding that all or some portion of the Payments may be subject to the Excise Tax. Solely for the purpose of comparing which of the Safe Harbor Amount and the Taxed Amount is greater, the

determination of each such amount, shall be made on an after-tax basis, taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all of which shall be computed at the highest applicable marginal rate). If a reduction of the Payments to the Safe Harbor Amount is necessary, then the reduction shall occur in the following order unless the Executive elects in writing a different order (provided, however, that such election shall be subject to approval of the Company if made on or after the date on which the event that triggers the Payments occurs): (i) reduction of cash payments; then (ii) cancellation of accelerated vesting of stock or stock option awards; and then (iii) reduction of the Executive's benefits. In the event that acceleration of vesting of stock or stock option award compensation is to be reduced, such acceleration of vesting shall be cancelled in the reverse order of the date of grant of the Executive's stock awards.

14. No Mitigation or Set Off. In no event shall the Executive be obligated to seek other employment or take any other action by way of mitigation of the amounts payable to the Executive under any of the provisions of this Agreement and such amounts shall not be reduced, regardless of whether the Executive obtains other employment. The Company's obligation to make the payments provided for in this Agreement and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, recoupment, defense or other right which the Company may have against the Executive or others.

15. Notice. Any notice hereunder by either party shall be given by personal delivery or by sending such notice by certified mail, return-receipt requested, or by electronic transmission, addressed or transmitted, as the case may be, to the other party at its address set forth below or at such other address designated by notice in the manner provided in this section. Such notice shall be deemed to have been received upon the date of actual delivery if personally delivered or, in the case of mailing, five (5) days after deposit with the U.S. mail, or, in the case of electronic transmission, when transmitted without error.

If to Executive:

If to Executive:

Dolev Rafaeli
5 Lambs Lane
Cresskill NJ 07626
Email: dr532@cornell.edu

If to the Company:

STRATA Skin Sciences, Inc.
Attn: Chairman of the Board
100 Lakeside Drive, Suite 100
Horsham, PA 19044
Facsimile:

16. Entire Agreement; Amendments. This Agreement contains the entire agreement and understanding of the parties hereto relating to the subject matter hereof, and merges and supersedes all prior and contemporaneous discussions, agreements and understandings of every nature between the parties hereto relating to the employment of Executive with the Company. This Agreement may not be changed or modified, except by an agreement in writing signed by each of the parties hereto.

17. Waiver. The waiver of the breach of any term or provision of this Agreement shall not operate as or be construed to be a waiver of any other or subsequent breach of this Agreement.

18. Governing Law; Venue. This Agreement shall be construed and enforced in accordance with the substantive laws of the State of Delaware, without regard to the principles of conflicts of laws of any jurisdiction. EACH PARTY HERETO HEREBY IRREVOCABLY CONSENTS AND SUBMITS TO THE EXCLUSIVE PERSONAL JURISDICTION OF ANY OF THE FEDERAL OR STATE COURTS IN THE STATES OF DELAWARE, AND FURTHER WAIVES ANY CLAIM IT MAY HAVE AT ANY TIME AS TO FORUM NON CONVENIENS WITH RESPECT TO SUCH VENUE. SERVICE OF PROCESS MAY BE EFFECTED BY CERTIFIED OR REGISTERED MAIL.

19. Arbitration. Any dispute arising under, or related to, this Agreement or the Executive's employment by the Company shall be resolved exclusively by arbitration under the Delaware Rapid Arbitration Act, by a single arbitrator (the "**Arbitrator**") selected jointly by the parties within five (5) days of an arbitration demand, or else the Arbitrator shall be selected in accordance with the Delaware Rapid Arbitration Act. The arbitration hearing shall be held in the City of Wilmington, Delaware; provided, that the party demanding an arbitration may propose another hearing venue, which shall apply if the other party consents in writing to such other venue within five (5) days of receiving the arbitration demand. Notwithstanding the foregoing, the Company may also seek specific performance of the Executive's Undertakings in any court of competent jurisdiction as provided in Section 20.

20. Invalidity. If any provision of this Agreement shall be determined to be void, invalid, unenforceable or illegal for any reason, the validity and enforceability of all of the remaining provisions hereof shall not be affected thereby. If any particular provision of this Agreement shall be adjudicated to be invalid or unenforceable, such provision shall be deemed amended to delete therefrom the portion thus adjudicated to be invalid or unenforceable, such amendment to apply only to the operation of such provision in the particular jurisdiction in which such adjudication is made; provided that, if any provision contained in this Agreement shall be adjudicated to be invalid or unenforceable because such provision is held to be excessively broad as to duration, geographic scope, activity or subject, such provision shall be deemed amended by limiting and reducing it so as to be valid and enforceable to the maximum extent compatible with the applicable laws of such jurisdiction, such amendment only to apply with respect to the operation of such provision in the applicable jurisdiction in which the adjudication is made.

21. Section Headings. The section headings in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.

22. Number of Days. In computing the number of days for purposes of this Agreement, all days shall be counted, including Saturdays, Sundays and legal holidays; provided that, if the final day of any time period falls on a Saturday, Sunday or day which is a legal holiday in the location of the principal place of business of the Company, then such final day shall be deemed to be the next day which is not a Saturday, Sunday or legal holiday.

23. Specific Enforcement; Extension of Period.

23.1. The Executive acknowledges that the restrictions contained in Sections 5, 6, and 7 hereof are reasonable and necessary to protect the legitimate interests of the Company and its affiliates and that the Company would not have entered into this Agreement in the absence of such restrictions. The Executive also acknowledges that any breach by him of Sections 5, 6, or 7 hereof will cause continuing and irreparable injury to the Company for which monetary damages would not be an adequate remedy. The Executive shall not, in any action or proceeding to enforce any of the provisions of this Agreement, assert the claim or defense that an adequate remedy at law exists. Notwithstanding the arbitration provisions under Section 16, in the event of such breach by the Executive, the Company shall have the right to enforce the provisions of Sections 5, 6, and 7 of this Agreement by seeking injunctive or other relief in any court, and this Agreement shall not in any way limit remedies of law or in equity otherwise available to the Company.

23.2. The periods of time set forth in Section 7 hereof shall not include, and shall be deemed extended by, any time required for litigation to enforce the relevant covenant periods, provided that the Company is successful on the merits in any such litigation. The "time required for litigation" is herein defined to mean the period of time from the earlier of Executive's first breach of such covenants or service of process upon Executive through the expiration of all appeals related to such litigation.

24. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed to be one and the same instrument.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first written above.

STRATA Skin Sciences, Inc.

By: /s/ LuAnn Via
Name: LuAnn Via
Title: Chairperson

/s/ Dolev Rafaeli
Dolev Rafaeli

EXHIBIT 99.1

STRATA Skin Sciences Announces $17 Million Equity Financing led by Accelmed Growth Partners

Appointment of Industry Veteran as Interim CEO

Dr. Dolev Rafaeli Brings 25+ Years of Experience in Growing Healthcare, Medical Device, Technology and Consumer Companies

Proposed $3 Million Pay Down of Existing $10.6 Million Midcap Credit Facility

Horsham, PA, April 2, 2018 — STRATA Skin Sciences (NASDAQ: SSKN) ("STRATA") a medical technology company in Dermatology and Plastic Surgery dedicated to developing, commercializing, and marketing innovative products for the treatment of dermatologic conditions, today announced that it has entered into definitive agreements for the sale of 15,740,740 shares of common stock to a group of investors led by Accelmed Growth Partners, an investment firm focused on value creation for medical device companies and technologies, for proceeds of $17 million. Accelmed is investing $13 million. Other investors include Dr. Dolev Rafaeli, Gohan Investments, Broadfin Capital and Sabby Management, the latter two of which are dedicated healthcare investors which both currently own common and preferred stock in the Company.

STRATA also announces the appointment of Dr. Rafaeli as Interim CEO, effective April 10, 2018. The Company's current CEO Frank J. McCaney will assume the role of Interim CFO. The Company previously announced that it will conduct an Earnings Call at 8:30AM today. Information about the call is available below.

In connection with the equity financing, STRATA has signed a non-binding Term Sheet to amend its existing $10.6 million credit facility established with MidCap Financial Trust ("MidCap") in 2015. Of the $17 million to be received from the new investors, $3 million will be used to pay down the current loan with MidCap. The terms of the credit facility will be amended to lower the interest rate, impose less restrictive covenants and lower prepayment and exit fees for the Company.

The remaining proceeds from the equity financing will be used to enhance the Company's growth by focusing on the Company's core recurring revenue business and adding innovative medical devices which can leverage STRATA's salesforce, customer relationships and current infrastructure in sales, marketing and reimbursement.

The proposed financing will require the approval of at least 51 percent of a quorum of the votes cast in person or by proxy by shareholders of STRATA at a special meeting expected to be held no later than June 30th, 2018. Broadfin Capital and Sabby Management have pledged to vote their shares in favor of the financing.

"We are very pleased to have Accelmed as an investor in STRATA," said LuAnn Via, Chairperson of the Board of Directors. "Their experience in medical devices and providing growth equity to drive significant value creation serve to further position STRATA for its next phase of growth."

"We are delighted also to have Dolev Rafaeli join as the Company's new CEO," continued Ms. Via. "He has considerable experience in leadership roles in medical device companies and has a successful track record of turning around organizations and creating value for shareholders. We are confident he will make a significant contribution to the future of STRATA." Upon Closing, Dr. Rafaeli will become the permanent CEO. In addition, at Closing, Dr. Uri Geiger, co-founder and CEO of Accelmed Growth Partners will become Chairman of the Board.

"I am very excited to have the opportunity to lead STRATA," said Dr. Dolev Rafaeli, incoming Interim CEO. "The Company has a portfolio of proven, best-in-class skin science technologies, including the market leading XTRAC laser for the treatment of psoriasis, vitiligo and other skin deseases. I look forward to helping STRATA achieve its goal to become the valued business partner of choice for dermatology practices."

Dr. Dolev Rafaeli has over 25 years of experience in the healthcare, medical device, consumer and industrial services fields. He served as a Member of the Board of Directors of the company that founded the XTRAC, PhotoMedex (Nasdaq: PHMD), since 2011 and was its CEO from 2006 to 2015. Under his management at PhotoMedex, he oversaw sales growth from $19 million to over $300 million, driven by increases in brand portfolio, distribution channels and M&A transactions. He was President and CEO of Radiancy, a subsidiary of PhotoMedex, from 2006 to 2017.

Mr. Hal Mintz, Managing Member of Sabby Management and a current investor in the Company as well as an investor in this round of financing, said, "The investment by Accelmed and the appointment of Drs. Geiger and Rafaeli mark a significant change to the makeup of STRATA. The additional $17 million in capital will allow the company to renegotiate its credit facility and reinvest in advertising its flagship XTRAC laser system, options that until now were unavailable to existing management. Accelmed is a seasoned medical device investor and turnaround specialist that recently made a similar investment in Cogentix just 18 months ago and which was recently sold with significant appreciation for its shareholders."

H.C. Wainwright & Co. acted as placement agent for Strata in the equity transaction. Fairmount Partners, an independent investment banking firm, acted as financial adviser to STRATA.

Conference Call Details:

Date:	Monday, April 2, 2018
Time:	8:30 am Eastern Time
Toll Free:	888-394-8218
International:	323-794-2149
Passcode:	6380302
Webcast:	www.strataskinsciences.com

About Accelmed
Accelmed is a US/Israel based investment firm focused on value creation for medical device companies and technologies. It was founded in 2009 by Dr. Uri Geiger and Mori Arkin and invests in small and mid-cap private and public companies. With its proven track record and large team of accomplished investment professionals, Accelmed's vision is to create leading med-tech players by merging commercial platforms with small innovative growth companies, predominantly from Israel. For more information, refer to http://www.accelmed.com/.

About STRATA Skin Sciences, Inc. (www.strataskinsciences.com)
STRATA Skin Sciences is a medical technology company in Dermatology and Plastic Surgery dedicated to developing, commercializing and marketing innovative products for the treatment of dermatologic conditions. Its products include the XTRAC® excimer laser and VTRAC® lamp systems utilized in the treatment of psoriasis, vitiligo and various other skin conditions; the STRATAPEN® MicroSystem, marketed specifically for the intended use of micropigmentation; and Nordlys, a multi-technology aesthetic laser device.

Additional Information and Where to Find It

This press release may be deemed solicitation material in respect of the proposed issuance of the shares of common stock of STRATA in the financing, which is subject to stockholder approval. STRATA intends to file with the Securities and Exchange Commission (the "SEC") and mail to its stockholders a definitive proxy statement in connection with the proposed transaction. This press release does not constitute a solicitation of any vote or approval. STRATA'S STOCKHOLDERS ARE URGED TO READ CAREFULLY AND IN THEIR ENTIRETY THE PROXY STATEMENT AND ANY OTHER RELEVANT DOCUMENTS THAT ARE FILED WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT STRATA AND THE PROPOSED TRANSACTION. Investors and stockholders may obtain a free copy of the proxy statement and other documents filed with the SEC, when they become available, from the SEC's website at www.sec.gov or by accessing STRATA's website at www.strataskinsciences.com.

Certain Information Concerning Participants

STRATA, its directors, executive officers and certain other members of management and employees of STRATA may be deemed to be participants in the solicitation of proxies from STRATA's stockholders with respect to the proposed exchange transaction. Information about such persons who may, under the rules of the SEC, be considered participants in the solicitation of stockholders of STRATA in connection with the proposed transaction, and any interest they may have in the proposed transaction, will be set forth in the definitive proxy statement when it is filed with the SEC, which may be obtained as indicated above. Investors and stockholders can find additional information about STRATA's directors and executive officers in STRATA's annual report on Form 10-K, which STRATA filed with the SEC on April 2, 2018.

Safe Harbor
This press release includes "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995. These statements include but are not limited to the Company's plans, objectives, expectations and intentions and may contain words such as "will," "may," "seeks," and "expects," that suggest future events or trends. These statements, including the Company's ability to generate the anticipated revenue stream, the Company's ability to generate sufficient cash flow to fund the Company's ongoing operations and research and development activities beginning at any time in the future, the

public's reaction to the Company's new advertisements and marketing campaigns under development, and the Company's ability to build a leading franchise in dermatology, aesthetics, and plastic surgery, and the financing will close, the credit facility will be amended, and management will be successful in growing the Company are based on the Company's current expectations and are inherently subject to significant uncertainties and changes in circumstances. Actual results may differ materially from the Company's expectations due to financial, economic, business, competitive, market, regulatory and political factors or conditions affecting the Company and the medical device industry in general, as well as more specific risks and uncertainties set forth in the Company's 10K filed with the SEC on April 2, 2018.

Investor Contacts:

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Bob Yedid, Managing Director
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