

**SOMETHING
BETTER
THAN HOPE** Right now.

ICOC Meeting
November 12, 2020

Maria T. Millan, MD
President & CEO

CIRM
CALIFORNIA / STEM CELL AGENCY

	Current	Proposal	Rationale/ Impact
Maturity Date	2/11/2022	2/11/2026	Provides runway necessary to achieve success. Success would increase chances of (1) advancing this program to patients and of (2) CIRM repayment
Interest Rate	8.25% simple interest	3.00 % simple interest effective 7/1/2020 (CIRM fiscal year)	Approximates current CIRM loan terms <i>Accumulated interest prior to 7/1/2020 at 8.25% will still be owed upon repayment. In exchange, CIRM will gain the below "upside" terms</i>
Change of Control Repayment	Payment of Principal and interest	Principal shall be repaid at 120% face value and accrued interest will be repaid at 100% face value	CIRM will gain from the premium placed on the principal upon a change of control event such as merger, acquisition, consolidation, change in majority or controlling ownership position (e.g. assets, stocks,)
Warrant # Shares & Class of Stock	2,298,493 shares of Series C Preferred Stock (expiration of 723,484 shares in Oct 2020)	New warrant exercisable for 2,298,493 shares of Common Stock.	Increases potential for CIRM to share in upside. Recover the number of expired shares. Warrants will be transferrable by CIRM to an entity that can exercise on our behalf (as in a past instance)
Warrant Exercise Price	\$1.00 per share for SeriesC Preferred Stock	\$0.03 per share for Common Stock	Higher value of stock for CIRM in the event of an IPO

Request from Board

“Authorization for CIRM President & CEO to negotiate and execute amendment to loan agreement with Viacyte based on the terms presented today”