

**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): **July 25, 2018**

LIQUIDIA TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction
of incorporation)

001-38601

(Commission
File Number)

20-1926605

(IRS Employer
Identification No.)

419 Davis Drive, Suite 100, Morrisville, North Carolina

(Address of principal executive offices)

27560

(Zip Code)

Registrant's telephone number, including area code: **(919) 328-4400**

(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 (see General Instruction A.2. below):

- 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 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 x

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. x

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

Director Resignations

As previously disclosed in the Registration Statement on Form S-1 (File No. 333-225960) (the "Registration Statement") of Liquidia Technologies, Inc., a Delaware corporation (the "Company"), effective as of the time that the Registration Statement was declared effective by the U.S. Securities and Exchange Commission on July 25, 2018, and in connection with the consummation of the initial public offering of 4,545,455 shares of common stock, \$0.001 par value per share ("Common Stock"), of the Company, at an initial offering price of \$11.00 per share (the "IPO"), Dr. Isaac Cheng and Mr. Jason Rushton each resigned from the Company's board of directors (the "Board"). The resignations of Dr. Cheng and Mr. Rushton were not caused by any disagreement with the Company.

Grant of Options

As previously disclosed in the Registration Statement, on July 25, 2018 and in connection with the consummation of the IPO and, with respect to Mr. Gordon's grant, pursuant to the Gordon Employment Agreement, the Compensation Committee granted an aggregate of 307,164 shares of Common Stock underlying stock options under the 2018 Plan to the following directors and executive officers of the Company in the following amounts: Neal Fowler (192,008 shares); Kevin Gordon (41,084 shares); Dr. Stephen Bloch (26,986 shares); Edward Mathers (26,986 shares); Arthur Kirsch (10,050 shares); and Raman Singh (10,050 shares). Twenty-five percent of the shares of Common Stock underlying the incentive stock options granted to Messrs. Fowler and Gordon vest on the one year anniversary of the date of grant, with the remaining 75% vesting monthly through the fourth anniversary of the date of grant, subject to Messrs. Fowler's and Gordon's continuous service to the Company on each vesting date. The nonstatutory options granted to Dr. Bloch and

Messrs. Kirsch, Mathers and Singh vest monthly through the three year anniversary of the date of grant, subject to each optionholder's continuous service to the Company on each vesting date.

The foregoing description of the option grants is qualified in its entirety by the full text of the form of Incentive Stock Option Agreement and form of Nonstatutory Stock Option Agreement, copies of which are attached as Exhibit 10.3 of the Registration Statement and are incorporated herein by reference.

Grant of Restricted Stock Units

As previously disclosed in the Registration Statement, on July 26, 2018 and in connection with the consummation of the IPO and pursuant to that certain Executive Employment Agreement, dated as of January 22, 2018, by and between the Company and Kevin Gordon (the "Gordon Employment Agreement"), the Compensation Committee of the Board (the "Compensation Committee") granted Mr. Gordon 41,084 shares of Common Stock issuable upon the vesting of restricted stock units (the "RSUs") under the Company's 2018 Long-Term Incentive Plan (the "2018 Plan"). Twenty-five percent of the RSUs vest on the one year anniversary of the date of grant, with the remaining 75% vesting monthly through the fourth anniversary of the date of grant, subject to Mr. Gordon's continuous service to the Company on each vesting date.

The foregoing description of the grant of RSUs is qualified in its entirety by the full text of the form of Restricted Stock Units Agreement, a copy of which is attached as Exhibit 10.3 of the Registration Statement and is incorporated herein by reference.

Albury and Lippe Employment Agreements

On July 25, 2018, the Company entered into an Amended and Restated Executive Employment Agreement with each of Timothy Albury, the Company's Senior Vice President, Chief Accounting Officer (the "Albury Employment Agreement"), and Robert Lippe, the Company's Chief Operations Officer (the "Lippe Employment Agreement"), each of which are described in the Registration Statement. The descriptions of the Albury Employment Agreement and the Lippe Employment Agreement in the Registration Statement are qualified in their entirety by the full text of the Albury Employment Agreement and the Lippe Employment Agreement, copies of which are attached hereto as Exhibits 10.1 and 10.2, respectively, and incorporated herein by reference.

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Executive Severance and Change in Control Plan

On July 26, 2018, the Company's Executive Severance and Change in Control Plan (the "Severance Plan"), as described in the Registration Statement became effective. The description of the Severance Plan in the Registration Statement is qualified in its entirety by the full text of the Severance Plan, a copy of which is attached hereto as Exhibit 10.3 and incorporated herein by reference.

Annual Cash Bonus Plan

On July 26, 2018, the Company's Annual Cash Bonus Plan (the "Bonus Plan"), as described in the Registration Statement became effective. The description of the Bonus Plan in the Registration Statement is qualified in its entirety by the full text of the Bonus Plan, a copy of which is attached hereto as Exhibit 10.4 and incorporated herein by reference.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

Amended and Restated Certificate of Incorporation

As previously disclosed in the Registration Statement, on July 30, 2018 and in connection with the consummation of the IPO, the Company filed an amended and restated certificate of incorporation (the "Restated Certificate") with the Secretary of State of the State of Delaware. The Board and the Company's stockholders previously approved the Restated Certificate to be filed in connection with, and to be effective upon, the consummation of the IPO. The Restated Certificate amends and restates the Company's existing amended and restated certificate of incorporation, as amended, in its entirety to, among other things: (i) authorize 40,000,000 shares of Common Stock; (ii) eliminate all references to the previously-existing series of preferred stock of the Company; (iii) authorize 10,000,000 shares of undesignated preferred stock, \$0.001 par value per share, that may be issued from time to time by the Board in one or more series; (iv) provide that the Corporation will have a staggered board of directors; (v) eliminate the ability of the Company's stockholders to take action by written consent in lieu of a meeting and call special meetings of stockholders; and (vi) set the authorized number of directors between three and 11, as shall be fixed from time to time pursuant to a resolution adopted by a majority of the Board.

The foregoing description of the Restated Certificate is qualified by reference to the Restated Certificate, a copy of which is attached hereto as Exhibit 3.1 and is incorporated herein by reference.

Amended and Restated Bylaws

In addition, as previously disclosed in the Registration Statement, on July 30, 2018 and in connection with the consummation of the IPO, the amended and restated bylaws of the Company (the "Amended and Restated Bylaws"), previously approved by the Board and the Company's stockholders to become effective immediately upon the consummation of the IPO, became effective. The Amended and Restated Bylaws amend and restate the Company's bylaws, as amended, in their entirety to, among other things: (i) eliminate the ability of the Company's stockholders to take action by written consent in lieu of a meeting and call special meetings of stockholders; (ii) establish special procedures relating to the presentation of stockholder proposals at stockholder meetings; (iii) establish procedures relating to the nomination of directors; (iv) provide for a staggered board of directors; (v) provide that the number of directors may only be set by the Board; and (vi) conform to the amended provisions of the Restated Certificate.

The foregoing description of the Amended and Restated Bylaws is qualified by reference to the Amended and Restated Bylaws, a copy of which is attached hereto as Exhibit 3.2 and is incorporated herein by reference.

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3.1 [Amended and Restated Certificate of Incorporation of Liquidia Technologies, Inc.](#)

3.2 [Amended and Restated Bylaws of Liquidia Technologies, Inc.](#)

10.1 [Amended and Restated Executive Employment Agreement, dated as of July 25, 2018, by and between Liquidia Technologies, Inc. and Timothy Albury.](#)

10.2 [Amended and Restated Executive Employment Agreement, dated as of July 25, 2018, by and between Liquidia Technologies, Inc. and Robert Lippe.](#)

10.3 [Liquidia Technologies, Inc. Executive Severance and Change in Control Plan.](#)

10.4 [Liquidia Technologies, Inc. Annual Cash Bonus Plan](#)

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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.

July 30, 2018

Liquidia Technologies, Inc.

By: /s/ Kevin Gordon

Name: Kevin Gordon

Title: President and Chief Financial Officer

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**AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
LIQUIDIA TECHNOLOGIES, INC.**

**(Pursuant to Sections 228, 242 and 245 of the
General Corporation Law of the State of Delaware)**

Liquidia Technologies, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the “**General Corporation Law**”),

DOES HEREBY CERTIFY:

FIRST: That the name of this Corporation is Liquidia Technologies, Inc. (the “**Corporation**”) and that this Corporation was originally incorporated pursuant to the General Corporation Law on June 8, 2004 under the name Liquidia Technologies, Inc.

SECOND: That the Board of Directors of this Corporation (the “**Board of Directors**”), by unanimous approval effective as of July 12, 2018, duly adopted resolutions proposing to amend and restate the Amended and Restated Certificate of Incorporation, as amended (the “**Certificate of Incorporation**”), of this Corporation pursuant to Sections 242 and 245 of the General Corporation Law, declaring said amendment and restatement to be advisable and in the best interests of this Corporation and its stockholders, and authorizing the appropriate officers of this Corporation to solicit the consent of the stockholders therefor, and the requisite stockholders of this Corporation, by written consent effective as of July 19, 2018, duly adopted resolutions proposing to amend and restate the Certificate of Incorporation pursuant to Sections 228, 242 and 245 of the General Corporation Law, declaring said amendment and restatement to be advisable and in the best interests of this Corporation, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this Corporation be amended and restated in its entirety as follows:

ARTICLE I

The name of this Corporation is Liquidia Technologies, Inc.

ARTICLE II

The address of the registered office of this Corporation in the State of Delaware is 251 Little Falls Drive, Wilmington, New Castle County, Delaware 19808, and the name of the registered agent is Corporation Service Company.

ARTICLE III

The nature of the business or purposes to be conducted or promoted by this Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

ARTICLE IV

A. The total number of shares of capital stock of all classes which the Corporation shall have authority to issue is Fifty Million (50,000,000) shares, consisting of: Forty Million (40,000,000) shares of common stock, \$0.001 par value per share (the “**Common Stock**”), and Ten Million (10,000,000) shares of preferred stock, par value \$0.001 per share (“**Preferred Stock**”).

B. Except as otherwise restricted by this Certificate of Incorporation, the Corporation is authorized to issue, from time to time, all or any portion of the capital stock of the Corporation which may have been authorized but not issued, to such person or persons and for such lawful consideration as it may deem appropriate, and generally in its absolute discretion to determine the terms and manner of any disposition of such authorized but unissued capital stock.

Any and all such shares issued for which the full consideration has been paid or delivered shall be deemed fully paid shares of capital stock, and the holder of such shares shall not be liable for any further call or assessment or any other payment thereon.

C. The designations and the powers, preferences and rights and qualifications, limitations or restrictions of the shares of each class of stock are as follows:

1. Common Stock

(a) General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to the rights of the holders of any series of Preferred Stock then outstanding.

(b) Voting. Except as otherwise provided herein, the holders of the Common Stock are entitled to one (1) vote for each share of Common Stock held at all meetings of stockholders; provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Certificate of Incorporation or pursuant to the General Corporation Law. There shall be no cumulative voting. The number of authorized shares of

Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required, if any Preferred Stock is then outstanding) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law.

2. **Preferred Stock.** The shares of Preferred Stock shall initially be undesignated and may be issued from time to time in one or more additional series by the Board of Directors. The Board of Directors is hereby authorized, subject to any limitations prescribed by law, to determine or alter the rights, preferences, privileges and restrictions granted to or imposed upon a wholly-unissued series of Preferred Stock, and the number of shares constituting any such series and the designation thereof, or any of them; and to increase or decrease the number of shares constituting any such series and the designation thereof, or any of them; and to increase or decrease the number of shares of any series subsequent to the issue of shares of that series, but, in respect of decreases, not below the number of shares of such series then outstanding. In case the number of shares of any series should be so decreased, the shares constituting such decrease shall resume the status which they had prior to the adoption of the resolutions originally fixing the number of shares of such series. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding and in accordance with this Certificate of Incorporation) by the affirmative vote of the holders of a majority of the outstanding shares of Common Stock without a vote of the holders of the Preferred Stock, or of any series thereof, unless a vote of any such holders is required pursuant to the certificate or certificates establishing any series of Preferred Stock, and the Corporation shall have the power to issue additional shares of Preferred Stock ranking *pari passu*, or in priority to, shares of Preferred Stock already issued.

ARTICLE V

The Corporation is to have a perpetual existence.

ARTICLE VI

The following provisions are inserted for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its directors and stockholders:

A. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. In addition to the powers and authority expressly conferred

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upon them by law or by this Certificate of Incorporation or the bylaws of the Corporation, as the same may be amended from time to time (the “Bylaws”), the directors are hereby empowered to exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

B. The directors of the Corporation need not be elected by written ballot unless the Bylaws so provide.

C. Subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

D. Subject to the rights of the holders of any series of Preferred Stock then outstanding, special meetings of stockholders of the Corporation may be called at any time by the Board of Directors, the Chairman of the Board or the Chief Executive Officer, for any purpose or purposes prescribed in the notice of the meeting and shall be held on such date and at such time as the Board may fix. Business transacted at any special meeting of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

E. The number of directors of the Corporation shall not be less than three (3) nor more than eleven (11). The exact number of directors within the limitations specified in the preceding sentence shall be fixed from time to time by, or in the manner provided in, the Corporation’s Bylaws. All directors shall hold office until the expiration of the term for which elected, and until their respective successors are elected, except in the case of the death, resignation, or removal of any director.

F. The Board of Directors shall be and is divided into three classes: Class I, Class II and Class III. No one class shall have more than one director more than any other class. If a fraction is contained in the quotient arrived at by dividing the designated number of directors by three, then, if such fraction is one-third, the extra director shall be a member of Class I, and if such fraction is two-thirds (2/3), one of the extra directors shall be a member of Class I and one of the extra directors shall be a member of Class II, unless otherwise provided from time to time by resolution adopted by the Board of Directors.

G. Each director shall serve for a term ending on the date of the third annual meeting following the annual meeting at which such director was elected; provided, that each initial director in Class I shall serve for a term ending on the date of the annual meeting in 2019; each initial director in Class II shall serve for a term ending on the date of the annual meeting in 2020; and each initial director in Class III shall serve for a term ending on the date of the annual meeting in 2021; and provided further, that the term of each director shall be subject to the election and qualification of his successor and to his earlier death, resignation or removal.

H. In the event of any increases or decreases in the authorized number of directors, (i) each director then serving as such shall nevertheless continue as a director of the class of which he is a member, and (ii) the newly created or eliminated directorships resulting from such increase or decrease shall be apportioned by the Board among the three classes of directors so as

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to ensure that no one class has more than one director more than any other class. To the extent possible, consistent with the foregoing rule, any newly created directorships shall be added to those classes whose terms of office are to expire at the latest dates following such allocation, and any newly eliminated

directorships shall be subtracted from those classes whose terms of offices are to expire at the earliest dates following such allocation, unless otherwise provided from time to time by resolution adopted by the Board of Directors.

I. A majority of the total number of authorized directors shall constitute a quorum for the transaction of business. In the event one or more of the directors shall be disqualified to vote at any meeting, then the required quorum shall be reduced by one for each director so disqualified, provided that in no case shall less than one-third of the number of directors fixed pursuant to this Article VI constitute a quorum. If at any meeting of the Board of Directors there shall be less than such a quorum, a majority of those present may adjourn the meeting from time to time. Every act or decision done or made by a majority of the directors present shall be regarded as the act of the Board of Directors unless a greater number is required by law, by the Bylaws of the Corporation or by this Certificate of Incorporation.

J. Subject to the rights of the holders of any series of Preferred Stock then outstanding, newly created directorships resulting from any increase in the authorized number of directors or any vacancies in the Board of Directors resulting from death, resignation or other cause (including removal from office by a vote of the stockholders described in Article VI(K) below) may, except as otherwise required by law, be filled only by a majority vote of the directors then in office, though less than a quorum, or by the sole remaining director, and directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders at which the term of office of the class to which they have been elected expires, and until their respective successors are elected, except in the case of the death, resignation, or removal of any director. No decrease in the number of directors constituting the Board of Directors shall shorten the term of any incumbent director.

K. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any directors, or the entire Board of Directors, may be removed from office at any time, but only by the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class.

ARTICLE VII

No person shall be personally liable to the Corporation or its stockholders for monetary damages for breach of his or her fiduciary duty as a director of the Corporation, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for any acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the General Corporation Law or (iv) for any transaction from which the director derived an improper personal benefit. If the General Corporation Law hereafter is amended to authorize further elimination or limitation of the liability of directors, then the liability of a director of the Corporation, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by the amended General Corporation Law. Any repeal or modification of this paragraph by the

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stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation existing at the time of such repeal or modification.

The Corporation shall indemnify any director or officer to the fullest extent permitted by Delaware law.

ARTICLE VIII

All of the powers of the Corporation, insofar as the same may be lawfully vested by this Certificate of Incorporation in the Board of Directors, are hereby conferred upon the Board of Directors.

ARTICLE IX

The Board of Directors is expressly empowered to adopt, amend or repeal the Bylaws. Any adoption, amendment or repeal of the Bylaws by the Board of Directors shall require the approval of a majority of the total number of authorized directors (whether or not there exist any vacancies in previously authorized directorships at the time any resolution providing for adoption, amendment or repeal is presented to the Board of Directors). The stockholders shall also have power to adopt, amend or repeal the Bylaws. Subject to the rights of the holders of any series of Preferred Stock then outstanding, any adoption, amendment or repeal of the Bylaws by the stockholders shall require, in addition to any vote of the holders of any class or series of stock of the Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in any election of directors, voting together as a single class.

ARTICLE X

The Corporation reserves the right to amend or repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of Delaware and all rights conferred upon stockholders are granted subject to this reservation; provided, that, notwithstanding any other provision of this Certificate of Incorporation or any provision of law which might otherwise permit a lesser vote or no vote, but subject to the rights of the holders of any shares of Preferred Stock then outstanding and in addition to any vote of the holders of any class or series of the stock of this Corporation required by law or by this Certificate, the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in any election of directors, voting together as a single class, shall be required to amend or repeal any of the Articles in this Certificate of Incorporation.

ARTICLE XI

Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by

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any director or officer of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the General Corporation Law, this Certificate of Incorporation or the Bylaws, or (iv) any action asserting a claim against the Corporation governed by the internal affairs doctrine.

ARTICLE XII

The Corporation elects to be governed by Section 203 of the DGCL (or any successor provision thereto).

* * *

THIRD: The foregoing amendment and restatement was approved by the holders of the requisite number of shares of said corporation in accordance with Section 228 of the General Corporation Law.

FOURTH: That said Amended and Restated Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Restated Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

[signature page follows]

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IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this Corporation as of July 27, 2018.

Liquidia Technologies, Inc.

By: /s/ Neal F. Fowler
Neal F. Fowler, Chief Executive Officer

**AMENDED AND RESTATED BYLAWS OF
LIQUIDIA TECHNOLOGIES, INC.**

**ARTICLE I
STOCKHOLDERS**

1.1 Place of Meetings. All meetings of stockholders shall be held at such place (if any) within or without the State of Delaware as may be determined from time to time by the Board of Directors (the “**Board of Directors**”) of Liquidia Technologies, Inc. (the “**Corporation**”) or, if not determined by the Board of Directors, by the Chairman of the Board, the President or the Chief Executive Officer; provided that the Board of Directors may, in its sole discretion, determine that any meeting of stockholders shall not be held at any place but shall be held solely by means of remote communication in accordance with Section 1.13.

1.2 Annual Meeting. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly be brought before the meeting shall be held on a date to be fixed by the Board of Directors at a time to be fixed by the Board of Directors and stated in the notice of the meeting.

1.3 Special Meetings. Special meetings of stockholders may be called at any time by the Board of Directors, the Chairman of the Board or the Chief Executive Officer, for any purpose or purposes prescribed in the notice of the meeting and shall be held on such date and at such time as the Board of Directors, the Chairman of the Board or the Chief Executive Officer may fix. Business transacted at any special meeting of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

1.4 Notice of Meetings.

(a) Written notice of each meeting of stockholders, whether annual or special, shall be given not less than ten (10) nor more than sixty (60) days before the date on which the meeting is to be held, to each stockholder entitled to vote at such meeting as of the record date fixed by the Board of Directors for determining the stockholders entitled to notice of the meeting, except as otherwise provided herein or as required by law (meaning here and hereafter, as required from time to time by the Delaware General Corporation Law or the Amended and Restated Certificate of Incorporation of the Corporation (as amended and/or restated from time to time, the “**Certificate of Incorporation**”). The notice of any meeting shall state the place, if any, date and hour of the meeting, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such meeting. The notice of a special meeting shall state, in addition, the purpose or purposes for which the meeting is called.

(b) Notice to stockholders may be given by personal delivery, mail, or, with the consent of the stockholder entitled to receive notice, by facsimile or other means of electronic transmission. If mailed, such notice shall be delivered by postage prepaid envelope directed to each stockholder at such stockholder’s address as it appears in the records of the Corporation and shall be deemed given when deposited in the United States mail. Notice given by electronic transmission pursuant to this subsection shall be deemed given: (1) if by facsimile

telecommunication, when directed to a facsimile telecommunication number at which the stockholder has consented to receive notice; (2) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (3) if by posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (A) such posting and (B) the giving of such separate notice; and (4) if by any other form of electronic transmission, when directed to the stockholder. An affidavit of the secretary or an assistant secretary or of the transfer agent or other agent of the Corporation that the notice has been given by personal delivery, by mail, or by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

(c) Notice of any meeting of stockholders need not be given to any stockholder if waived by such stockholder either in a writing signed by such stockholder or by electronic transmission, whether such waiver is given before or after such meeting is held. If such a waiver is given by electronic transmission, the electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder.

1.5 Voting List. The officer who has charge of the stock ledger of the Corporation shall prepare, at least ten (10) days before each meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting; the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date, arranged in alphabetical order for each class of stock and showing the mailing address of each stockholder and the number of shares registered in the name of each stockholder. The Corporation shall not be required to include electronic mail addresses or other electronic contact information on such list. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, for a period of at least ten (10) days prior to the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list is provided with the notice of the meeting, (b) during ordinary business hours at the principal place of business of the Corporation or (c) in any other manner provided by law. If the meeting is to be held at a place, the list shall be produced and kept at the time and place of the meeting during the whole time of the meeting, and may be examined by any stockholder who is present. If the meeting is to be held solely by means of remote communication, such list shall also be open to the examination of any stockholder during the whole time of the meeting on a reasonably accessible electronic network, and the information required to access such list shall be provided with the notice of the meeting. The stock ledger shall be the only evidence as to the stockholders who are entitled to examine the list required by this Section 1.5 or to vote in person or by proxy at any meeting of stockholders.

1.6 Quorum. Except as otherwise provided by law or these Bylaws, the holders of a majority of the shares of the capital stock of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum for the transaction of business. Where a separate class vote by a class or classes or series is required, a majority of the shares of such class or classes or series present in person or represented by proxy shall constitute a quorum entitled to take action with respect to that vote on that matter.

1.7 Adjournments. Any meeting of stockholders may be adjourned to any other time and to any other place at which a meeting of stockholders may be held under these Bylaws by the

chairman of the meeting or, in the absence of such person, by any officer entitled to preside at or to act as secretary of such meeting, or by the holders of a majority of the shares of stock present or represented at the meeting and entitled to vote, although less than a quorum. When a meeting is adjourned to another place, date or time, written notice need not be given of the adjourned meeting if the date, time and place, if any, thereof, and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken; provided, however, that if the date of any adjourned meeting is more than thirty (30) days after the date for which the meeting was originally noticed, or if the Board of Directors fixes a new record date for determining the stockholders entitled to vote at the adjourned meeting in accordance with Section 4.5, written notice of the place, if any, date and time of the adjourned meeting and the means of remote communication, if any, by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting, shall be given in conformity herewith. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting.

1.8 Voting and Proxies. Each stockholder shall have one (1) vote for each share of stock entitled to vote held of record by such stockholder and a proportionate vote for each fractional share so held, unless otherwise provided by law or in the Certificate of Incorporation. Each stockholder of record entitled to vote at a meeting of stockholders may vote in person or may authorize any other person or persons to vote or act for such stockholder by a written proxy executed by the stockholder or the stockholder's authorized agent or by an electronic transmission permitted by law and delivered to the Secretary of the Corporation. Any copy, facsimile transmission or other reliable reproduction of the writing or electronic transmission created pursuant to this section may be substituted or used in lieu of the original writing or electronic transmission for any and all purposes for which the original writing or transmission could be used, provided that such copy, facsimile transmission or other reproduction shall be a complete reproduction of the entire original writing or electronic transmission.

1.9 Action at Meeting.

(a) At any meeting of stockholders for the election of one or more directors at which a quorum is present, the election shall be determined by a plurality of the votes cast by the stockholders entitled to vote at the election.

(b) All other matters shall be determined by a majority in voting power of the shares present in person or represented by proxy and entitled to vote on the matter (or if there are two or more classes of stock entitled to vote as separate classes, then in the case of each such class, a majority of the shares of each such class present in person or represented by proxy and entitled to vote on the matter shall decide such matter), provided that a quorum is present, except when a different vote is required by express provision of law, the Certificate of Incorporation or these Bylaws.

(c) All voting, including on the election of directors, but excepting where otherwise required by law, may be by a voice vote; provided, that upon demand therefor by a stockholder entitled to vote or the stockholder's proxy, a vote by ballot shall be taken. Each ballot shall state the name of the stockholder or proxy voting and such other information as may

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be required under the procedure established for the meeting. The Corporation may, and to the extent required by law, shall, in advance of any meeting of stockholders, appoint one or more inspectors to act at the meeting and make a written report thereof. The Corporation may designate one or more persons as an alternate inspector to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting of stockholders, the person presiding at the meeting may, and to the extent required by law, shall, appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath to faithfully execute the duties of inspector with strict impartiality and according to the best of his ability.

1.10 Stockholder Business (Other Than the Election of Directors).

(a) Only such business (other than nominations for election of directors, which is governed by Section 2.18 of these Bylaws) shall be conducted as shall have been properly brought before an annual meeting. To be properly brought before an annual meeting, business must be either (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors, (ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors, or (iii) otherwise properly brought before the meeting by a stockholder who (A) is a stockholder of record (and, with respect to any beneficial owner, if different, on whose behalf such business is proposed, only if such beneficial owner is the beneficial owner of shares of the Corporation) both at the time of giving the notice provided for in this Section 1.10 and at the time of the meeting, (B) is entitled to vote at the meeting and (C) has complied with the notice procedures set forth in this Section 1.10 as to such business. For any business to be properly brought before an annual meeting by a stockholder (other than nominations for election of directors, which is governed by Section 2.18 of these Bylaws), it must be a proper matter for stockholder action under the Delaware General Corporation Law, and the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation. To be timely, a stockholder's notice shall be in writing and must be received at the Corporation's principal executive offices not later than ninety (90) days nor earlier than 120 days prior to the first (1st) anniversary of the date of the preceding year's annual meeting as first specified in the Corporation's notice of meeting (without regard to any postponements or adjournments of such meeting after such notice was first sent), provided, however, that if no annual meeting was held in the previous year or the date of the annual meeting is advanced by more than thirty (30) days, or delayed (other than as a result of adjournment) by more than thirty (30) days from the anniversary of the previous year's annual meeting, notice by the stockholder to be timely must be received not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the date on which public announcement of the date of such meeting is first made. "Public announcement" for purposes hereof shall have the meaning set forth in Section 2.18(c) of these Bylaws. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. For business to be properly brought before a special meeting by a stockholder, the business must be limited to the purpose or purposes set forth in a request under Section 1.3.

(b) A stockholder's notice to the Secretary of the Corporation shall set forth (i) as to each matter the stockholder proposes to bring before the annual meeting, a brief

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description of the business desired to be brought before the annual meeting and the text of the proposal or business, including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the Bylaws of the Corporation, the language of the proposed amendment, and (ii) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the proposal is being made, and any of their respective affiliates or associates or others acting in concert therewith (each, a “**Proposing Person**”), (A) the name and address, as they appear on the Corporation’s books, of the stockholder proposing such business and of any other Proposing Person, (B) the class or series and number of shares of the Corporation which are owned beneficially and of record by the stockholder and any other Proposing Person as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five (5) business days after the record date for voting at the meeting of the class or series and number of shares of the Corporation owned beneficially and of record by the stockholder and any other Proposing Person as of the record date for voting at the meeting, (C) a representation that the stockholder intends to appear in person or by proxy at the meeting to propose the business specified in the notice, (D) any material interest of the stockholder and any other Proposing Person in such business, (E) the following information regarding the ownership interests of the stockholder and any other Proposing Person which shall be supplemented in writing by the stockholder not later than ten (10) days after the record date for voting at the meeting to disclose such interests as of such record date: (1) a description of any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, any derivative or synthetic arrangement having the characteristics of a long position in any class or series of shares of the Corporation, or any contract, derivative, swap or other transaction or series of transactions designed to produce economic benefits and risks that correspond substantially to the ownership of any class or series of shares of the Corporation, including due to the fact that the value of such contract, derivative, swap or other transaction or series of transactions is determined by reference to the price, value or volatility of any class or series of shares of the Corporation, whether or not such instrument, contract or right shall be subject to settlement in the underlying class or series of shares of the Corporation, through the delivery of cash or other property, or otherwise, and without regard to whether the stockholder of record or any other Proposing Person may have entered into transactions that hedge or mitigate the economic effect of such instrument, contract or right (a “**Derivative Instrument**”) directly or indirectly owned beneficially by such stockholder or other Proposing Person, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation; (2) a description of any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder or other Proposing Person has a right to vote any shares of any security of the Corporation; (3) a description of any agreement, arrangement, understanding, relationship or otherwise, including any repurchase or similar so-called “stock borrowing” agreement or arrangement, engaged in, directly or indirectly, by such stockholder or other Proposing Person, the purpose or effect of which is to mitigate loss to, reduce the economic risk (of ownership or otherwise) of any class or series of the shares of the Corporation by, manage the risk of share price changes for, or increase or decrease the voting power of, such stockholder or other Proposing Person with respect to any class or series of the shares of the Corporation, or which provides, directly or indirectly, the opportunity to profit or share in any profit derived from any

decrease in the price or value of any class or series of the shares of the Corporation (“**Short Interests**”); (4) a description of any rights to dividends on the shares of the Corporation owned beneficially by such stockholder or other Proposing Person that are separated or separable from the underlying shares of the Corporation; (5) a description of any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or other Proposing Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner; (6) a description of any performance-related fees (other than an asset-based fee) to which such stockholder or other Proposing Person is entitled based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including, without limitation, any such interests held by members of such stockholder’s or other Proposing Person’s immediate family sharing the same household; (7) a description of any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by such stockholder or other Proposing Person; and (8) a description of any direct or indirect interest of such stockholder or other Proposing Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), and (F) any other information relating to such stockholder or other Proposing Person, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), and the rules and regulations promulgated thereunder. The terms “associate” and “beneficially owned” for purposes hereof shall have the meanings set forth in Section 2.18(e) of these Bylaws.

(c) Unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting of stockholders to present the proposed business, such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this section, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the making of such proposal at such meeting by such stockholder stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(d) Notwithstanding the foregoing provisions of this Section 1.10, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 1.10; provided however, that any references in this Section 1.10 to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to proposals as to any business to be considered pursuant to this Section 1.10. Nothing in this Section 1.10 shall be deemed to affect any rights (i) of stockholders to request inclusion of proposals in the Corporation’s proxy statement pursuant to Rule 14a-8 under the Exchange Act or (ii) of the holders of any series of preferred stock if and to the extent provided for under law, the Certificate of Incorporation or these Bylaws.

(e) Notwithstanding any provisions to the contrary, the notice requirements set forth in subsections (a) and (b) above shall be deemed satisfied by a stockholder if the stockholder has notified the Corporation of the stockholder’s intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder’s proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting.

1.11 **Conduct of Business.** At every meeting of the stockholders, the Chairman of the Board, or, in his absence, the Chief Executive Officer, or, in his absence, such other person as may be appointed by the Board of Directors, shall act as chairman. The Secretary of the Corporation or a person designated by the chairman of the meeting shall act as secretary of the meeting. Unless otherwise approved by the chairman of the meeting, attendance at the

stockholders' meeting is restricted to stockholders of record, persons authorized in accordance with Section 1.8 of these Bylaws to act by proxy, and officers of the Corporation.

The chairman of the meeting shall call the meeting to order, establish the agenda, and conduct the business of the meeting in accordance therewith or, at the chairman's discretion, the business of the meeting may be conducted otherwise in accordance with the wishes of the stockholders in attendance. The date and time of the opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

The chairman shall also conduct the meeting in an orderly manner, rule on the precedence of, and procedure on, motions and other procedural matters, and exercise discretion with respect to such procedural matters with fairness and good faith toward all those entitled to take part. Without limiting the foregoing, the chairman may (a) restrict attendance at any time to bona fide stockholders of record and their proxies and other persons in attendance at the invitation of the presiding officer or Board of Directors, (b) restrict use of audio or video recording devices at the meeting, and (c) impose reasonable limits on the amount of time taken up at the meeting on discussion in general or on remarks by any one stockholder. Should any person in attendance become unruly or obstruct the meeting proceedings, the chairman shall have the power to have such person removed from the meeting. Notwithstanding anything in the Bylaws to the contrary, no business shall be conducted at a meeting except in accordance with the procedures set forth in Section 1.10, this Section 1.11 and Section 2.18. The chairman of the meeting, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall have the power and duty to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the provisions of Section 1.10, this Section 1.11 and Section 2.18, and if he should so determine that any proposed nomination or business is not in compliance with such sections, he shall so declare to the meeting that such defective nomination or proposal shall be disregarded.

1.12 Stockholder Action Without Meeting. Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of stockholders of the Corporation and may not be effected by any consent in writing by such stockholders.

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1.13 Meetings by Remote Communication. If authorized by the Board of Directors, and subject to such guidelines and procedures as the Board of Directors may adopt, stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication, participate in the meeting and be deemed present in person and vote at the meeting, whether such meeting is to be held at a designated place or solely by means of remote communication, provided that (a) the Corporation shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxy holder, (b) the Corporation shall implement reasonable measures to provide such stockholders and proxy holders a reasonable opportunity to participate in the meeting and to vote on matters submitted to the stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (c) if any stockholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of such vote or other action shall be maintained by the Corporation.

ARTICLE II BOARD OF DIRECTORS

2.1 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of a Board of Directors, who may exercise all of the powers of the Corporation except as otherwise provided by law or the Certificate of Incorporation. In the event of a vacancy on the Board of Directors, the remaining directors, except as otherwise provided by law, may exercise the powers of the full Board of Directors until the vacancy is filled.

2.2 Number, Election and Qualification. The number of directors which shall constitute the whole Board of Directors shall be determined by resolution of the Board of Directors, but in no event shall be less than three (3) nor more than eleven (11). The number of directors may be decreased at any time and from time to time by a majority of the directors then in office, but only to eliminate vacancies existing by reason of the death, resignation, removal or expiration of the term of one or more directors. The directors shall be elected at the annual meeting of stockholders by such stockholders as have the right to vote on such election. Directors need not be stockholders of the Corporation and must be natural persons.

2.3 Classes of Directors. The Board of Directors shall be and is divided into three classes: Class I, Class II and Class III. No one class shall have more than one director more than any other class. If a fraction is contained in the quotient arrived at by dividing the designated number of directors by three, then, if such fraction is one-third, the extra director shall be a member of Class I, and if such fraction is two-thirds, one of the extra directors shall be a member of Class I and one of the extra directors shall be a member of Class II, unless otherwise provided from time to time by resolution adopted by the Board of Directors.

2.4 Term of Office. Each director shall serve for a term ending on the date of the third annual meeting following the annual meeting at which such director was elected; provided, that each initial director in Class I shall serve for a term ending on the date of the annual meeting of stockholders in 2019; each initial director in Class II shall serve for a term ending on the date of the annual meeting of stockholders in 2020; and each initial director in Class III shall serve for a term ending on the date of the annual meeting of stockholders in 2021; and provided further,

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that the term of each director shall be subject to the election and qualification of his successor and to his earlier death, resignation or removal.

2.5 Allocation of Directors Among Classes in the Event of Increases or Decreases in the Number of Directors. In the event of any increase or decrease in the authorized number of directors, (i) each director then serving as such shall nevertheless continue as a director of the class of which he is a member and (ii) the newly created or eliminated directorship resulting from such increase or decrease shall be apportioned by the Board of Directors among the three classes of directors so as to ensure that no one class has more than one director more than any other class. To the extent possible, consistent with the foregoing rule, any newly created directorships shall be added to those classes whose terms of office are to expire at the latest dates following such allocation, and any newly eliminated directorships shall be subtracted from those classes whose terms of offices are to expire at the earliest dates following such allocation, unless otherwise provided from time to time by resolution adopted by the Board of Directors.

2.6 Vacancies and Newly Created Directorships. Subject to the rights of any series of preferred stock then outstanding, any vacancy in the Board of Directors, however occurring, including a vacancy resulting from an enlargement of the Board of Directors, shall be filled only by vote of a majority

of the directors then in office, although less than a quorum, or by a sole remaining director. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office, and a director chosen to fill a position resulting from an increase in the number of directors shall hold office until the next election of the class for which such director shall have been chosen, subject to the election and qualification of his successor and to his earlier death, resignation or removal.

2.7 Resignation. Any director may resign by delivering notice in writing or by electronic transmission to the President, Chief Executive Officer, Chairman of the Board or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event.

2.8 Removal. Subject to the rights of the holders of any series of preferred stock then outstanding, any directors, or the entire Board of Directors, may be removed from office at any time, but only upon the affirmative vote of the holders of at least a majority of the voting power of all of the outstanding shares of capital stock entitled to vote generally in the election of directors, voting together as a single class. Vacancies in the Board of Directors resulting from such removal may be filled by a majority of the directors then in office, though less than a quorum, or by the sole remaining director. Directors so chosen shall hold office for a term expiring at the next annual meeting of stockholders at which the term of office of the class to which they have been elected expires, and until their respective successors are elected, except in the case of the death, resignation, or removal of any director.

2.9 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and place, either within or without the State of Delaware, as shall be determined from time to time by the Board of Directors; provided that any director who is absent when such a determination is made shall be given notice of the determination. A regular meeting of the Board of Directors may be held without notice immediately after and at the same place as the annual meeting of stockholders.

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2.10 Special Meetings. Special meetings of the Board of Directors may be called by the Chairman of the Board, the Chief Executive Officer, the President or two (2) or more directors and may be held at any time and place, within or without the State of Delaware.

2.11 Notice of Special Meetings. Notice of any special meeting of directors shall be given to each director by whom it is not waived by the Secretary or by the officer or one of the directors calling the meeting. Notice shall be duly given to each director by (a) giving notice to such director in person or by telephone, electronic transmission or voice message system at least twenty-four (24) hours in advance of the meeting, (b) sending a facsimile to his last known facsimile number, or delivering written notice by hand to his last known business or home address, at least twenty-four (24) hours in advance of the meeting, or (c) mailing written notice to his last known business or home address at least three (3) days in advance of the meeting. A notice or waiver of notice of a meeting of the Board of Directors need not specify the purposes of the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

2.12 Participation in Meetings by Telephone Conference Calls or Other Methods of Communication. Directors or any members of any committee designated by the directors may participate in a meeting of the Board of Directors or such committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

2.13 Quorum. A majority of the total number of authorized directors shall constitute a quorum at any meeting of the Board of Directors. In the absence of a quorum at any such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. Interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or at a meeting of a committee which authorizes a particular contract or transaction.

2.14 Action at Meeting. At any meeting of the Board of Directors at which a quorum is present, the vote of a majority of those present shall be sufficient to take any action, unless a different vote is specified by law, the Certificate of Incorporation or these Bylaws.

2.15 Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee of the Board of Directors may be taken without a meeting if all members of the Board of Directors or committee, as the case may be, consent to the action in writing or by electronic transmission, and the writings or electronic transmissions are filed with the minutes of proceedings of the Board of Directors or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

2.16 Committees. The Board of Directors may designate one (1) or more committees, each committee to consist of one (1) or more of the directors of the Corporation, with such lawfully delegated powers and duties as it therefor confers, to serve at the pleasure of the Board of Directors. The Board of Directors may designate one (1) or more directors as alternate

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members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members of the committee present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors and subject to the provisions of the Delaware General Corporation Law, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers which may require it. Each such committee shall keep minutes and make such reports as the Board of Directors may from time to time request. Except as the Board of Directors may otherwise determine, any committee may make rules for the conduct of its business, but unless otherwise provided by such rules, its business shall be conducted as nearly as possible in the same manner as is provided in these Bylaws for the Board of Directors.

2.17 Compensation of Directors. Directors may be paid such compensation for their services and such reimbursement for expenses of attendance at meetings as the Board of Directors may from time to time determine. No such payment shall preclude any director from serving the Corporation or any of its parent or subsidiary corporations in any other capacity and receiving compensation for such service.

2.18 Nomination of Director Candidates.

(a) Subject to the rights of holders of any class or series of preferred stock then outstanding, nominations for the election of directors at an annual meeting may be made by (i) the Board of Directors or a duly authorized committee thereof or (ii) any stockholder of the Corporation who is a stockholder of record at the time of giving the notice provided for in paragraphs (b) and (c) of this Section 2.18, who is entitled to vote at the meeting and who complies with the procedures set forth in this Section 2.18.

(b) All nominations by stockholders must be made pursuant to timely notice given in writing to the Secretary of the Corporation. To be timely, a stockholder's nomination for a director to be elected at an annual meeting must be received at the Corporation's principal executive offices not later than ninety (90) days nor earlier than 120 days prior to the first (1st) anniversary of the date of the preceding year's annual meeting as first specified in the Corporation's notice of meeting (without regard to any postponements or adjournments of such meeting after such notice was first sent), provided, however, that if no annual meeting was held in the previous year or the date of the annual meeting is advanced by more than thirty (30) days or delayed (other than as a result of adjournment) by more than thirty (30) days from the first anniversary of the previous year's annual meeting, notice by the stockholder to be timely must be received not later than the close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the date on which public announcement of the date of such meeting is first made. Each such notice shall set forth (i) as to the stockholder and the beneficial owner, if any, on whose behalf the nomination is being made, and any of their respective affiliates or associates or others acting in concert therewith (each, a "**Nominating Person**"), the name and address, as they appear on the Corporation's books, of the stockholder who intends to make the nomination and of any other Nominating Person, (ii) the class or series

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and number of shares of the Corporation which are owned beneficially and of record by the stockholder and any other Nominating Person as of the date of the notice, and a representation that the stockholder will notify the Corporation in writing within five (5) business days after the record date for voting at the meeting of the class or series and number of shares of the Corporation owned beneficially and of record by the stockholder and any other Nominating Person as of the record date for voting at the meeting, (iii) a representation that the stockholder intends to appear in person or by proxy at the meeting to nominate the nominee specified in the notice, (iv) the following information regarding the ownership interests of the stockholder and any other Nominating Person, which shall be supplemented in writing by the stockholder not later than ten (10) days after the record date for notice of the meeting to disclose such interests as of such record date: (A) a description of any Derivative Instrument directly or indirectly owned beneficially by such stockholder or other Nominating Person, and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation; (B) a description of any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder or other Nominating Person has a right to vote any shares of any security of the Corporation; (C) a description of any Short Interests in any securities of the Corporation directly or indirectly owned beneficially by such stockholder or other Nominating Person; (D) a description of any rights to dividends on the shares of the Corporation owned beneficially by such stockholder or other Nominating Person that are separated or separable from the underlying shares of the Corporation; (E) a description of any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or other Nominating Person is a general partner or, directly or indirectly, beneficially owns an interest in a general partner; (F) a description of any performance-related fees (other than an asset-based fee) to which such stockholder or other Nominating Person is entitled based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including, without limitation, any such interests held by members of such stockholder's or other Nominating Person's immediate family sharing the same household; (G) a description of any significant equity interests or any Derivative Instruments or Short Interests in any principal competitor of the Corporation held by such stockholder or other Nominating Person; and (H) a description of any direct or indirect interest of such stockholder or other Nominating Person in any contract with the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation (including, in any such case, any employment agreement, collective bargaining agreement or consulting agreement), (v) a description of all arrangements or understandings between the stockholder or other Nominating Person and each nominee and any other person or persons (naming such person or persons) pursuant to which the nomination or nominations are to be made by the stockholder, (vi) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three (3) years, and any other material relationships, between or among such stockholder and any other Nominating Person, on the one hand, and each nominee, and his respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K of the Securities Act of 1933, as amended, if the stockholder and any Nominating Person, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant, (vii) such other information regarding each nominee as

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would be required to be included in a proxy statement filed pursuant to the proxy rules of the U.S. Securities and Exchange Commission (the "**SEC**"), had the nominee been nominated, or intended to be nominated, by the Board of Directors, and (viii) the signed consent of each nominee to serve as a director of the Corporation if so elected. In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Notwithstanding the second sentence of this Section 2.18(b), in the event that the number of directors to be elected at an annual meeting is increased and there is no public announcement by the Corporation naming the nominees for the additional directorships at least 100 days prior to the one-year anniversary of the date of the preceding year's annual meeting as first specified in the Corporation's notice of meeting (without regard to any postponements or adjournments of such meeting after such notice was first sent), a stockholder's notice required by this Section 2.18(b) shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10th) day following the day on which such public announcement is first made by the Corporation.

(c) Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (i) by or at the direction of the Board of Directors or a committee thereof or (ii) by any stockholder who complies with the notice procedures set forth in this Section 2.18 and who is a stockholder of record at the time such notice is delivered to the Secretary of the Corporation. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one (1) or more directors to the Board of Directors, any such stockholder may nominate a person or persons (as the case may be), for election to such position(s) as are specified in the Corporation's notice of meeting, if the stockholder's notice as required by Section 2.18(a) is delivered to the Secretary at the principal executive offices of the Corporation not earlier than ninety (90) days prior to such special meeting and not later than the close of business on the later of the sixtieth (60th) day prior to such special meeting or the tenth (10th) day following the day on which public announcement is first made of the date of the special meeting and of the

nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(d) For purposes of these Bylaws, "**public announcement**" shall mean disclosure in a press release reported by the Dow Jones News Service, Associated Press or comparable national news service in the United States or in a document publicly filed or furnished by the Corporation with the SEC pursuant to Section 13, 14 or 15(d) of the Exchange Act.

(e) Only those persons who are nominated in accordance with the procedures set forth in this section shall be eligible for election as directors at any meeting of stockholders. The Chairman of the Board or Secretary may, if the facts warrant, determine that a notice received by the Corporation relating to a nomination proposed to be made does not satisfy the requirements of this Section 2.18 (including if the stockholder does not provide the updated information required under Section 2.18(b) to the Corporation within five (5) business days

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following the record date for the meeting), and if it be so determined, shall so declare and any such nomination shall not be introduced at such meeting of stockholders, notwithstanding that proxies in respect of such vote may have been received. The chairman of the meeting shall have the power and duty to determine whether a nomination brought before the meeting was made in accordance with the procedures set forth in this section, and, if any nomination is not in compliance with this section (including if the stockholder does not provide the updated information required under Section 2.18(b) to the Corporation within five (5) business days following the record date for the meeting), to declare that such defective nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received. Unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual meeting or a special meeting of stockholders of the Corporation to present a nomination, such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 2.18, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or authorized by a writing executed by such stockholder (or a reliable reproduction or electronic transmission of the writing) delivered to the Corporation prior to the making of such nomination at such meeting by such stockholder stating that such person is authorized to act for such stockholder as proxy at the meeting of stockholders.

(f) Notwithstanding the foregoing provisions of this Section 2.18, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Section 2.18; provided however, that any references in this Section 2.18 to the Exchange Act or the rules promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations to be considered pursuant to this Section 2.18. Nothing in this Section 2.18 shall be deemed to affect any rights of the holders of any series of preferred stock if and to the extent provided for under law, the Certificate of Incorporation or these Bylaws.

ARTICLE III OFFICERS

3.1 **Enumeration.** The officers of the Corporation shall consist of a Chief Executive Officer, a President, a Secretary, a Treasurer, a Chief Financial Officer and such other officers with such other titles as the Board of Directors shall determine, including, at the discretion of the Board of Directors, a Chairman of the Board and one (1) or more Vice Presidents and Assistant Secretaries. The Board of Directors may appoint such other officers as it may deem appropriate.

3.2 **Election.** Officers shall be elected annually by the Board of Directors at its first (1st) meeting following the annual meeting of stockholders. Officers may be appointed by the Board of Directors at any other meeting.

3.3 **Qualification.** No officer need be a stockholder. Any two (2) or more offices may be held by the same person.

3.4 **Tenure.** Except as otherwise provided by law, by the Certificate of Incorporation or by these Bylaws, each officer shall hold office until his successor is elected and qualified,

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unless a different term is specified in the vote appointing the officer, or until his earlier death, resignation or removal.

3.5 **Resignation and Removal.** Any officer may resign by delivering his written resignation to the Corporation at its principal office or to the President or Secretary. Such resignation shall be effective upon receipt unless it is specified to be effective at some other time or upon the happening of some other event. Any officer appointed by the Board of Directors may be removed at any time, with or without cause, by the Board of Directors.

3.6 **Absence or Disability.** In the event of the absence or disability of any officer, the Board of Directors may designate another officer to act temporarily in place of such absent or disabled officer.

3.7 **Chairman of the Board.** The Board of Directors may appoint a Chairman of the Board. If the Board of Directors appoints a Chairman of the Board, he shall perform such duties and possess such powers as are assigned to the Chairman by the Board of Directors and these Bylaws. Unless otherwise provided by the Board of Directors, he shall preside at all meetings of the Board of Directors.

3.8 **Chief Executive Officer.** The Chief Executive Officer of the Corporation shall, subject to the direction of the Board of Directors, have general supervision, direction and control of the business and the officers of the Corporation. He shall preside at all meetings of the stockholders and, in the absence or nonexistence of a Chairman of the Board, at all meetings of the Board of Directors. He shall have the general powers and duties of management usually vested in the chief executive officer of a corporation, including general supervision, direction and control of the business and supervision of other officers of the Corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws.

3.9 **President.** Subject to the direction of the Board of Directors and such supervisory powers as may be given by these Bylaws or the Board of Directors to the Chairman of the Board or the Chief Executive Officer, if such titles be held by other officers, the President shall have general supervision, direction and control of the business and supervision of other officers of the Corporation. Unless otherwise designated by the Board of Directors, the

President shall be the Chief Executive Officer of the Corporation. The President shall have such other powers and duties as may be prescribed by the Board of Directors or these Bylaws. He shall have power to sign stock certificates, contracts and other instruments of the Corporation which are authorized and shall have general supervision and direction of all of the other officers, employees and agents of the Corporation, other than the Chairman of the Board and the Chief Executive Officer.

3.10 Vice Presidents. Any Vice President shall perform such duties and possess such powers as the Board of Directors, the Chief Executive Officer or the President may from time to time prescribe. In the event of the absence, inability or refusal to act of the President, the Vice President (or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors) shall perform the duties of the President and when so performing shall have all the powers of and be subject to all the restrictions upon the President. The Board of Directors may assign to any Vice President the title of Executive Vice President, Senior Vice President or any other title selected by the Board of Directors.

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3.11 Secretary and Assistant Secretaries. The Secretary shall perform such duties and shall have such powers as the Board of Directors or the President may from time to time prescribe. In addition, the Secretary shall perform such duties and have such powers as are set forth in these Bylaws and as are incident to the office of the Secretary, including, without limitation, the duty and power to give notices of all meetings of stockholders and special meetings of the Board of Directors, to keep a record of the proceedings of all meetings of stockholders and the Board of Directors, to maintain a stock ledger and prepare lists of stockholders and their addresses as required, to be custodian of corporate records and the corporate seal and to affix and attest to the same on documents.

Any Assistant Secretary shall perform such duties and possess such powers as the Board of Directors, the Chief Executive Officer, the President or the Secretary may from time to time prescribe. In the event of the absence, inability or refusal to act of the Secretary, the Assistant Secretary (or if there shall be more than one (1), the Assistant Secretaries in the order determined by the Board of Directors) shall perform the duties and exercise the powers of the Secretary.

In the absence of the Secretary or any Assistant Secretary at any meeting of stockholders or directors, the person presiding at the meeting shall designate a temporary secretary to keep a record of the meeting.

3.12 Treasurer. The Treasurer shall perform such duties and have such powers as are incident to the office of treasurer, including without limitation, the duty and power to keep and be responsible for all funds and securities of the Corporation, to maintain the financial records of the Corporation, to deposit funds of the Corporation in depositories as authorized, to disburse such funds as authorized, to make proper accounts of such funds, and to render as required by the Board of Directors accounts of all such transactions and of the financial condition of the Corporation.

3.13 Chief Financial Officer. The Chief Financial Officer shall perform such duties and shall have such powers as may from time to time be assigned to the Chief Financial Officer by the Board of Directors, the Chief Executive Officer or the President. Unless otherwise designated by the Board of Directors, the Chief Financial Officer shall be the Treasurer of the Corporation.

3.14 Salaries. Officers of the Corporation shall be entitled to such salaries, compensation or reimbursement as shall be fixed or allowed from time to time by the Board of Directors.

3.15 Delegation of Authority. The Board of Directors may from time to time delegate the powers or duties of any officer to any other officers or agents, notwithstanding any provision hereof.

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ARTICLE IV CAPITAL STOCK

4.1 Issuance of Stock. Subject to the provisions of the Certificate of Incorporation, the whole or any part of any unissued balance of the authorized capital stock of the Corporation or the whole or any part of any unissued balance of the authorized capital stock of the Corporation held in its treasury may be issued, sold, transferred or otherwise disposed of by vote of the Board of Directors in such manner, for such consideration and on such terms as the Board of Directors may determine.

4.2 Stock Certificates. The shares of each class and series of stock of the Corporation shall be uncertificated; provided, however, that, upon request to the Corporation's transfer agent or registrar, any holder of shares of stock of the Corporation shall be entitled to have a certificate, in such form as may be prescribed by law and by the Board of Directors, certifying the number and class of shares of stock owned by such stockholder in the Corporation. Each such certificate shall be signed by, or in the name of the Corporation by, the Chairman or Vice Chairman, if any, of the Board of Directors, or the Chief Executive Officer, President or a Vice President, and the Treasurer or an Assistant Treasurer, or the Secretary or an Assistant Secretary of the Corporation. Any or all of the signatures on the certificate may be a facsimile.

Each certificate for shares of stock which are subject to any restriction on transfer pursuant to the Certificate of Incorporation, the Bylaws, applicable securities laws or any agreement among any number of stockholders or among such holders and the Corporation shall have conspicuously noted on the face or back of the certificate either the full text of the restriction or a statement of the existence of such restriction.

4.3 Transfers. Except as otherwise established by rules and regulations adopted by the Board of Directors, and subject to applicable law, shares of stock may be transferred on the books of the Corporation: (i) in the case of shares represented by a certificate, by the surrender to the Corporation or its transfer agent of the certificate representing such shares properly endorsed or accompanied by a written assignment or power of attorney properly executed, and with such proof of authority or authenticity of signature as the Corporation or its transfer agent may reasonably require; and (ii) in the case of uncertificated shares, upon the receipt of proper transfer instructions from the registered owner thereof. Except as may be otherwise required by law, the Certificate of Incorporation or the Bylaws, the Corporation shall be entitled to treat the record holder of stock as shown on its books as the owner of such stock for all purposes, including the payment of dividends and the right to vote with respect to such stock, regardless of any transfer, pledge or other disposition of such stock until the shares have been transferred on the books of the Corporation in accordance with the requirements of these Bylaws.

4.4 Lost, Stolen or Destroyed Certificates. The Corporation may issue a new certificate in place of any previously issued certificate alleged to have been lost, stolen, or destroyed, or it may issue uncertificated shares if the shares represented by such certificate have been designated as uncertificated shares in accordance with Section 4.2, upon such terms and conditions as the Board of Directors may prescribe, including the presentation of reasonable evidence of such loss, theft or destruction and the giving of such indemnity as the Board of Directors may require for the protection of the Corporation or any transfer agent or registrar.

4.5 Record Dates. The Board of Directors may fix in advance a record date for the determination of the stockholders entitled to vote at any meeting of stockholders. Such record date shall not precede the date on which the resolution fixing the record date is adopted and shall not be more than sixty (60) nor less than ten (10) days before the date of such meeting.

If no record date is fixed by the Board of Directors, the record date for determining the stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the day before the date on which notice is given, or, if notice is waived, the close of business on the day before the date on which the meeting is held.

A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of stockholders entitled to vote in accordance with the foregoing provisions.

The Board of Directors may fix in advance a record date (a) for the determination of stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights in respect of any change, concession or exchange of stock, or (b) for the purpose of any other lawful action. Any such record date shall not precede the date on which the resolution fixing the record date is adopted and shall not be more than sixty (60) days prior to the action to which such record date relates. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action by the Board of Directors is necessary shall be the date on which the first (1st) written consent is expressed. The record date for determining stockholders for any other purpose shall be the close of business on the day on which the Board of Directors adopts the resolution relating to such purpose.

ARTICLE V GENERAL PROVISIONS

5.1 Fiscal Year. The fiscal year of the Corporation shall be as fixed by the Board of Directors.

5.2 Seal. The Board of Directors shall have power to adopt and alter the seal of the Corporation.

5.3 Execution of Instruments. All deeds, leases, transfers, contracts, bonds, notes and other obligations to be entered into by the Corporation in the ordinary course of its business without director action may be executed on behalf of the Corporation by the Chairman of the Board of Directors, if one is elected, the President or the Treasurer or any other officer, employee or agent of the Corporation as the Board of Directors or the executive committee of the Board of Directors may authorize.

5.4 Resident Agent. The Board of Directors may appoint a resident agent upon whom legal process may be served in any action or proceeding against the Corporation.

5.5 Corporate Records. The original or attested copies of the Certificate of Incorporation, Bylaws and records of all meetings of the incorporators, stockholders and the Board of Directors and the stock transfer books, which shall contain the names of all stockholders, their record addresses and the amount of stock held by each, may be kept outside the State of Delaware and shall be kept at the principal office of the Corporation, at an office of its counsel, at an office of its transfer agent or at such other place or places as may be designated from time to time by the Board of Directors.

5.6 Waiver of Notice. Whenever any notice whatsoever is required to be given by law, by the Certificate of Incorporation or by these Bylaws, a waiver of such notice either in writing signed by the person entitled to such notice or such person's duly authorized attorney, or by electronic transmission or any other method permitted under the Delaware General Corporation Law, whether before, at or after the time stated in such waiver, or the appearance of such person or persons at such meeting in person or by proxy, shall be deemed equivalent to such notice. Neither the business nor the purpose of any meeting need be specified in such a waiver. Attendance at any meeting shall constitute waiver of notice except attendance for the sole purpose of objecting to the timeliness or manner of notice.

5.7 Actions with Respect to Securities of Other Corporations. Except as the Board of Directors may otherwise designate, the Chief Executive Officer or President or any officer of the Corporation authorized by the Chief Executive Officer or President shall have the power to vote and otherwise act on behalf of the Corporation, in person or by proxy, and may waive notice of, and act as, or appoint any person or persons to act as, proxy or attorney-in-fact to this corporation (with or without power of substitution) at any meeting of stockholders (or with respect to any action of stockholders) of any other corporation or organization, the securities of which may be held by this corporation and otherwise to exercise any and all rights and powers that this corporation may possess by reason of this corporation's ownership of securities in such other corporation or other organization.

5.8 Evidence of Authority. A certificate by the Secretary, or an Assistant Secretary, or a temporary Secretary, as to any action taken by the stockholders, directors, a committee or any officer or representative of the Corporation shall as to all persons who rely on the certificate in good faith be conclusive evidence of such action.

5.9 Certificate of Incorporation. All references in these Bylaws to the Certificate of Incorporation shall be deemed to refer to the Certificate of Incorporation of the Corporation, as amended and in effect from time to time.

5.10 Exclusive Jurisdiction of Delaware Courts. Unless the Corporation consents in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director or officer of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation arising pursuant to any provision of the General Corporation Law, this Certificate of Incorporation or the Bylaws, or (iv) any action asserting a claim against the Corporation governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring

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any interest in shares of capital stock of the Corporation shall be deemed to have notice of and consented to the provisions of this Article V.

5.11 Severability. Any determination that any provision of these Bylaws is for any reason inapplicable, illegal or ineffective shall not affect or invalidate any other provision of these Bylaws.

5.12 Pronouns. All pronouns used in these Bylaws shall be deemed to refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.

5.13 Notices. Except as otherwise specifically provided herein or required by law, all notices required to be given to any stockholder, director, officer, employee or agent of the Corporation shall be in writing and may in every instance be effectively given by hand delivery to the recipient thereof, by depositing such notice in the mails, postage paid, or by sending such notice by commercial courier service, or by facsimile or other electronic transmission, provided that notice to stockholders by electronic transmission shall be given in the manner provided in Section 232 of the Delaware General Corporation Law. Any such notice shall be addressed to such stockholder, director, officer, employee or agent at his last known address as the same appears on the books of the Corporation. The time when such notice shall be deemed to be given shall be the time such notice is received by such stockholder, director, officer, employee or agent, or by any person accepting such notice on behalf of such person, if delivered by hand, facsimile, other electronic transmission or commercial courier service, or the time such notice is dispatched, if delivered through the mails. Without limiting the manner by which notice otherwise may be given effectively, notice to any stockholder shall be deemed given: (a) if by facsimile, when directed to a number at which the stockholder has consented to receive notice; (b) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice; (c) if by a posting on an electronic network together with separate notice to the stockholder of such specific posting, upon the later of (i) such posting and (ii) the giving of such separate notice; (d) if by any other form of electronic transmission, when directed to the stockholder; and (e) if by mail, when deposited in the mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

5.14 Reliance Upon Books, Reports and Records. Each director, each member of any committee designated by the Board of Directors, and each officer of the Corporation shall, in the performance of his duties, be fully protected in relying in good faith upon the books of account or other records of the Corporation as provided by law, including reports made to the Corporation by any of its officers, by an independent certified public accountant, or by an appraiser selected with reasonable care.

5.15 Time Periods. In applying any provision of these Bylaws which require that an act be done or not done a specified number of days prior to an event or that an act be done during a period of a specified number of days prior to an event, calendar days shall be used, the day of the doing of the act shall be excluded, and the day of the event shall be included.

5.16 Facsimile Signatures. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers

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of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE VI CONTRACTS, LOANS AND DEPOSITS

6.1 Contracts. The Board of Directors may authorize any officer or officers, or agent or agents, to enter into any contract or execute and deliver any instrument outside of the ordinary course of business on behalf of the Corporation, and any such authority may be general or confined to specific instances.

6.2 Loans. No material loans shall be contracted on behalf of the Corporation and no evidence of material indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors and in compliance with Delaware General Corporation Law. Such authority may be general or confined to specific instances.

6.3 Checks and Drafts. All checks, drafts or other orders for the payment of money issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

6.4 Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depository or depositories as the Board of Directors shall direct.

ARTICLE VII AMENDMENTS

7.1 By the Board of Directors. Except as otherwise set forth in these Bylaws or the Certificate of Incorporation, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the affirmative vote of a majority of the total number of authorized directors (whether or not there

exist any vacancies in previously authorized directorships at the time any resolution providing for adoption, amendment or repeal is presented to the Board of Directors).

7.2 By the Stockholders. Except as otherwise set forth in these Bylaws or the Certificate of Incorporation, these Bylaws may be altered, amended or repealed or new Bylaws may be adopted by the affirmative vote of the holders of at least a majority of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in any election of directors, voting together as a single class. Such vote may be held at any annual meeting of stockholders, or at any special meeting of stockholders provided that notice of such alteration, amendment, repeal or adoption of new Bylaws shall have been stated in the notice of such special meeting.

ARTICLE VIII INDEMNIFICATION OF DIRECTORS AND OFFICERS

8.1 Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil,

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criminal, administrative or investigative (“**proceeding**”), by reason of the fact that he or a person of whom he is the legal representative, is or was a director or officer of the Corporation or is or was serving at the request of the Corporation as a director, officer, partner, employee or trustee of, or in a similar capacity with, another corporation, partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action in an official capacity as a director or officer, or in any other capacity while serving as a director or officer or as otherwise described above, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment) against all expenses (including attorneys’ fees), liability and loss reasonably incurred or suffered by such person in connection therewith (including, to the extent permitted by law, amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding, and any appeal therefrom), and such indemnification shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of his heirs, executors and administrators; provided, that except as provided in Section 8.2, the Corporation shall indemnify any such person seeking indemnity in connection with a proceeding (or part thereof) initiated by such person only if (a) such indemnification is expressly required to be made by law, (b) the proceeding (or part thereof) was authorized by the Board of Directors, (c) such indemnification is provided by the Corporation, in its sole discretion, pursuant to the powers vested in the Corporation under the Delaware General Corporation Law, or (d) the proceeding (or part thereof) is brought to establish or enforce a right to indemnification or advancement under an indemnity agreement or any other statute or law or otherwise as required under Section 145 of the Delaware General Corporation Law. The rights hereunder shall be contract rights and shall include the right to be paid expenses incurred in defending any such proceeding in advance of its final disposition; provided, that the payment of such expenses incurred by a director or officer of the Corporation in his capacity as a director or officer (and not in any other capacity in which service was or is tendered by such person while a director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of such proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it should be determined ultimately by final judicial decision from which there is no further right to appeal that such director or officer is not entitled to be indemnified under this section or otherwise.

8.2 Right of Claimant to Bring Suit. If a claim under Section 8.1 is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, or twenty (20) days in the case of a claim for advancement of expenses, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if such suit is not frivolous or brought in bad faith, the claimant shall be entitled to be paid also the expense of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any, has been tendered to this corporation) that the claimant has not met the standards of conduct which make it permissible under the Delaware General Corporation Law for the Corporation to indemnify the claimant for the amount claimed. Neither the failure of the Corporation (including its Board of

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Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because he has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its stockholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that claimant has not met the applicable standard of conduct. In any suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the Corporation shall be entitled to recover such expenses upon a final judicial decision from which there is no further right to appeal that the indemnitee has not met any applicable standard for indemnification set forth in the Delaware General Corporation Law. In any suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, shall be on the Corporation.

8.3 Indemnification of Employees and Agents. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and to the advancement of related expenses, to any employee or agent of the Corporation to the fullest extent of the provisions of this Article VIII with respect to the indemnification of and advancement of expenses to directors and officers of the Corporation.

8.4 Non-Exclusivity of Rights. The rights conferred on any person in this Article VIII shall not be exclusive of any other right which such persons may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, Bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

8.5 Indemnification Contracts. The Board of Directors is authorized to enter into a contract with any director, officer, employee or agent of the Corporation, or any person serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, including employee benefit plans, providing for indemnification rights equivalent to or, if the Board of Directors so determines, greater than, those provided for in this Article VIII.

8.6 Insurance. The Corporation shall maintain insurance to the extent reasonably available, at its expense, to protect itself and any such director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any such expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

8.7 Effect of Amendment. Any amendment, repeal or modification of any provision of this Article VIII shall not adversely affect any right or protection of an indemnitee or his successor in respect of any act or omission occurring prior to such amendment, repeal or modification.

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This **AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT** (the “**Agreement**”) is entered into effective July 25, 2018 (the “**Effective Date**”), by and between Tim Albury (“**Executive**”) and Liquidia Technologies, Inc., a Delaware corporation (the “**Company**”). Each of the Company and Executive is a “**Party**” and, collectively, they are the “**Parties**.”

The Company and Executive entered into an Executive Employment Agreement dated January 22, 2018 (the “**Prior Agreement**”); and

The Parties agree that this Agreement supersedes any and all prior employment agreement and understandings between the Parties and to provide for the employment of Executive upon the terms and conditions set forth herein.

Accordingly, in consideration of the mutual promises and covenants contained herein, the Parties agree to the following:

1. EMPLOYMENT BY THE COMPANY.

1.1 **At-Will Employment.** Executive shall be employed by the Company on an “at will” basis, meaning either the Company or Executive may terminate Executive’s employment at any time, with or without cause or advance notice. Any contrary representations that may have been made to Executive shall be superseded by this Agreement. This Agreement shall constitute the full and complete agreement between Executive and the Company on the “at will” nature of Executive’s employment with the Company, which may be changed only in an express written agreement signed by Executive and a duly authorized officer of the Company. Executive’s rights to any compensation following a termination shall be only as set forth in Section 6.

1.2 **Position.** Subject to the terms set forth herein, the Company agrees to employ Executive in the position of Senior Vice President, Chief Accounting Officer, and Executive hereby accepts such employment. Executive will report to the President and Chief Financial Officer (“**CFO**”) and/or such executive designated by the CFO. Executive agrees that, by accepting this Agreement, Executive consents to the changes to Executive’s position, duties, and responsibilities as set forth in this Agreement and agrees that such changes alone will not result in any right of Executive to terminate employment for Good Reason, as defined herein or in any other context, and receive the Severance Benefits described herein or any other similar benefits under any contractual arrangement, including the Prior Agreement.

1.3 **Duties.** Executive shall faithfully perform all duties of the Company related to the position or positions held by Executive, including but not limited to all duties set forth in this Agreement and/or in the Bylaws of the Company related to the position or positions held by Executive and all additional duties that are reasonably prescribed from time to time by the CFO or other designated officers or directors of the Company. Executive shall devote Executive’s full business time and attention to the performance of Executive’s duties and responsibilities on behalf of the Company and in furtherance of its best interests. Executive shall perform Executive’s duties under this Agreement principally out of the Company’s corporate headquarters in North Carolina. In addition, Executive shall make such business trips at the

Company’s expense to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies.** Executive shall comply with all Company policies, standards, rules, and regulations (a “**Company Policy**” or collectively, the “**Company Policies**”) and all applicable government laws, rules, and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

2. COMPENSATION.

2.1 **Salary.** Executive shall receive a monthly salary of \$29,333.33, which equates to \$352,000.00 on an annualized basis, payable subject to standard federal and state payroll withholding requirements in accordance with the Company’s standard payroll practices (“**Base Salary**”). Executive’s Base Salary may be increased from time to time by the Board of Directors of the Company (the “**Board**”). Notwithstanding anything to the contrary, the Base Salary may be reduced if the Board determines such reduction is necessary and justified by the financial condition of the Company and implements an equal percentage reduction in the base salaries of all of the Company’s executive officers, but in no event will such reduction be greater than ten percent (10%) of the Base Salary. A reduction in Executive’s Base Salary in accordance with the immediately preceding sentence shall not constitute a material diminution in Base Salary as described in Section 6.4(b) of this Agreement.

2.2 **Bonus.** During the period Executive is employed with the Company, Executive shall be eligible to earn a discretionary annual cash bonus of up to 25% of Base Salary (“**Target Amount**”), subject to review and adjustment by the Company in its sole discretion, pursuant to the terms of the Liquidia Technologies, Inc. Annual Cash Bonus Plan, as amended by the Company from time to time (the “**Bonus Plan**”), or its successor plan. Any bonus, if earned, will be paid to Executive within the time period set forth in the Bonus Plan.

2.3 **Benefits.** Executive will be eligible to participate on the same basis as similarly situated employees in the Company’s benefit plans in effect from time to time during Executive’s employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2.4 **Expense Reimbursement.** The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company Policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

3. **PROPRIETARY INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS.** The Parties have entered into a Confidentiality, Inventions and Non-Competition Agreement (the “**Confidential Information Agreement**”), which may be amended by the Parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the Parties to survive and do survive termination of this Agreement.

3.1 **Permissible Communications.** Notwithstanding anything to the contrary in the Confidential Information Agreement, Executive acknowledges that nothing in the Confidential Information Agreement shall be construed to prohibit Executive from (a) filing a charge or complaint with, or participating in any proceeding before, a government agency authorized to enforce and investigate suspected violations of federal anti-discrimination laws, labor relations laws, occupational health and safety laws, wage and hour laws, and such similar state or local laws; (b) reporting possible violations of federal securities laws to the appropriate government enforcing agency and making such other disclosures that are expressly protected under such laws, or (c) responding truthfully to inquiries from, or otherwise cooperating with, any governmental or regulatory investigation (the activities set forth in clauses (a) through (c) are collectively referred to as the “**Protected Activities**”). Executive understands that in connection with such Protected Activity, Executive is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company; *provided, however*, that Executive agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Proprietary Information under the Confidential Information Agreement to any parties other than the appropriate government agencies. Executive further understands that “Protected Activity” does not include the disclosure of any Company attorney-client privileged communications, and that any such disclosure without the Company’s written consent shall constitute a material breach of this Agreement.

3.2 **Defend Trade Secrets Act.** Pursuant to the Defend Trade Secrets Act of 2016, Executive acknowledges that Executive will not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive’s attorney and may use the trade secret information in the court proceeding, if Executive (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

4. **OUTSIDE ACTIVITIES DURING EMPLOYMENT.** Except with the prior written consent of the Company, which shall not be unreasonably withheld, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation, or business enterprise that would interfere with Executive’s responsibilities and the performance of Executive’s duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit, and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities

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consistent with Executive’s duties, and (iii) such other activities as may be specifically approved by the Company. This restriction shall not, however, preclude Executive from owning less than one percent (1%) of the total outstanding shares of a publicly traded company, or employment or service in any capacity with Affiliates of the Company. As used in this Agreement, “**Affiliates**” means an entity under common management or control with the Company.

5. **NO CONFLICT WITH EXISTING OBLIGATIONS.** Executive represents that Executive’s performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive’s employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. **TERMINATION OF EMPLOYMENT.** The Parties acknowledge that Executive’s employment relationship with the Company is at-will. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

6.1 **Termination by the Company Without Cause.**

(a) The Company shall have the right to terminate Executive’s employment with the Company pursuant to this Section 6.1 at any time without “Cause” (as defined in Section 6.2(b) below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.3 and 6.5 below is not a termination without “Cause” for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive’s employment at any time without Cause and provided that such termination constitutes a “separation from service” (as defined under Treasury Regulation Section 1.409A-1(h) a “**Separation from Service**”), then Executive shall be entitled to receive the Accrued Obligations (defined below) and, subject to Executive’s compliance with the obligations in Section 6.1(c) below, then Executive shall also be entitled to receive (collectively, the “**Severance Benefits**”):

(i) an amount equal to Executive’s then current Base Salary for six (6) months (the “**Severance Period**”), less all applicable withholdings and deductions, paid in equal installments beginning on the Company’s first regularly scheduled payroll date following the Release Effective Date (as defined in Section 6.1(c) below), with the remaining installments occurring on the Company’s regularly scheduled payroll dates thereafter;

(ii) an amount equal to the bonus (if any) that Executive would have earned pursuant to the Bonus Plan with respect to any full Performance Period (as defined in the Bonus Plan) through which Executive continued to provide services, notwithstanding the employment requirement set forth in Section 6.3 of the Bonus Plan, which shall be paid at the same time and in the same manner that bonus awards are paid to the Company’s other participants in the Bonus Plan; and

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(iii) payment of the employer portion of the premiums required to continue Executive’s group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (“**COBRA**”), provided that Executive timely elects to continue

coverage under COBRA, until the earliest of (A) the close of the Severance Period, (B) the expiration of Executive's eligibility for the continuation coverage under COBRA, or (C) the date when Executive becomes eligible for substantially equivalent health insurance coverage in connection with new employment (such period from the termination date through the earliest of (A), (B) or (C), the "**COBRA Payment Period**"). Notwithstanding the foregoing, if at any time the Company determines in its sole discretion that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code, or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company will instead pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings for the remainder of the COBRA Payment Period, regardless of whether Executive elects COBRA coverage (the "**Special Severance Payment**"). Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. If Executive becomes eligible for coverage under another employer's group health plan or otherwise ceases to be eligible for COBRA during the COBRA Payment Period, Executive must immediately notify the Company of such event, and all payments and obligations under this clause will cease.

(c) Executive will be paid all of the Accrued Obligations on the Company's first payroll date after Executive's date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) Executive signs and delivers to the Company an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form acceptable to the Company (the "**Release**"), by the 60th day following the termination date or such earlier date as set forth in the Release, which cannot be revoked in whole or part (if applicable) by such date or such earlier date as set forth in the Release (the date that the Release can no longer be revoked is referred to as the "**Release Effective Date**"); (ii) if Executive holds any other positions with the Company, Executive resigns such position(s) to be effective no later than the date of Executive's termination date (or such other date as requested by the Board); (iii) Executive returns all Company property in proper order and condition, reasonable wear and tear excepted, (including, but not limited to, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may be in Executive's possession or under his control but excluding copies of records related to Executive's compensation from the Company and any equity ownership in the Company); (iv) Executive complies with all post-termination obligations under this Agreement and the Confidential Information Agreement; and (v) Executive complies with the terms of the Release, including without limitation any non-disparagement and confidentiality provisions contained in the Release. To the extent that any Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of Severance Benefits will not be made or begin until the later calendar year.

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(d) For purposes of this Agreement, "**Accrued Obligations**" are (i) Executive's accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Executive payable in accordance with the Company's standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 is in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive's employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

6.2 **Termination by the Company for Cause.**

(a) Subject to Section 6.2(c) below, the Company shall have the right to terminate Executive's employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) "**Cause**" for termination shall mean that the Company has determined in its sole discretion that Executive has engaged in any of the following: (i) any material breach of the terms of this Agreement by Executive, or the willful failure of Executive to diligently and properly perform Executive's material duties for the Company; (ii) Executive's misappropriation or unauthorized use of the Company's tangible or intangible property that causes or is likely to cause material harm to the Company or its reputation, or material breach of the Confidential Information Agreement or any other similar agreement regarding confidentiality, intellectual property rights, non-competition or non-solicitation; (iii) any material failure to comply with the Company Policies or any other policies and/or directives of the Board; (iv) Executive's use of illegal drugs or any illegal substance, or Executive's use of alcohol in any manner that materially interferes with the performance of Executive's duties under this Agreement; (v) any (A) dishonest or illegal action (including, without limitation, embezzlement) by Executive, or (B) other action, whether or not dishonest or illegal, by Executive, in either case which is materially detrimental to the interest and well-being of the Company, including, without limitation, harm to its reputation; (vi) Executive's failure to fully disclose any material conflict of interest Executive may have with the Company in a transaction between the Company and any third party which is materially detrimental to the interest and well-being of the Company; (vii) any adverse action or omission by Executive which would be required to be disclosed pursuant to public securities laws or which would limit the ability of the Company or any entity affiliated with the Company to sell securities under any Federal or state law or which would disqualify the Company or any affiliated entity from any exemption otherwise available to it; or (viii) become prohibited by law or any order from any regulatory body or governmental body from being an employee or director of any company, firm or entity; *provided, however*, that prior to any termination of Executive for "Cause," if the grounds for such Cause are reasonably capable of cure by Executive, the

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Company shall provide Executive with written notice of the grounds for Cause and provide Executive with ten (10) business days in which to cure such Cause.

(c) In the event Executive's employment is terminated at any time for Cause, Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.3 **Resignation by Executive.**

(a) Executive may resign from Executive's employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company for any reason (other than a resignation for Good Reason as described in Section 6.4 below), Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.4 **Resignation by Executive for Good Reason.**

(a) Provided Executive has not previously been notified of the Company's intention to terminate Executive's employment, Executive may resign from employment with the Company for Good Reason (as defined in Section 6.4(b) below).

(b) "**Good Reason**" for resignation shall mean the occurrence of any of the following without Executive's prior consent: (i) a material diminution in Executive's authority, duties or responsibilities; (ii) a material diminution in Executive's Base Salary; (iii) a requirement that Executive report to an employee other than the CFO; (iv) Executive's principal place of employment is relocated by more than fifty (50) miles from the Company's present location in Research Triangle Park, North Carolina; or (v) the Company materially breaches its obligations under this Agreement. In addition to any requirements set forth above, in order for any of the above events to constitute "Good Reason," Executive must (X) inform the Company of the existence of the event within sixty (60) days of the initial existence of the event, after which date the Company shall have no less than thirty (30) days to cure the event which otherwise would constitute "Good Reason" hereunder and (Y) Executive must terminate his employment with the Company for such "Good Reason" no later than ninety (90) days after the initial existence of the event which prompted Executive's termination. Any actions taken by the Company to accommodate a disability of Executive or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(c) In the event Executive resigns from Executive's employment for Good Reason, and provided that such termination constitutes a Separation from Service, then subject to Executive's compliance with the obligations in Section 6.1(c) above, Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1 and on the same terms and conditions set forth in Section 6.1(c) and Section 6.1(e) as if Executive had been terminated by the Company without Cause.

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(d) Any damages caused by the termination of Executive's employment for Good Reason would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

6.5 **Termination by Virtue of Death or Disability of Executive.**

(a) In the event of Executive's death while employed pursuant to this Agreement, all obligations of the Parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, pay to Executive's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive's Disability. Termination by the Company of Executive's employment based on "**Disability**" shall mean termination because a qualified medical doctor mutually acceptable to the Company and Executive or Executive's personal representative has certified in writing that: (A) Executive is unable, because of a medically determinable physical or mental disability, to perform the essential functions of Executive's job, with or without a reasonable accommodation, for more than one hundred and eighty (180) calendar days measured from the last full day of work; or (B) by reason of mental or physical disability, it is unlikely that Executive will be able, within one hundred and eighty (180) calendar days, to resume the essential functions of Executive's job, with or without a reasonable accommodation, and to otherwise discharge Executive's duties under this Agreement. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. In the event Executive's employment is terminated based on Executive's Disability, Executive will not receive Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.6 **Change in Control Benefits.** In the event the Company (or any surviving or acquiring corporation) terminates Executive's employment without Cause or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control (as defined under the Liquidia Technologies, Inc. 2016 Equity Incentive Plan, as may be amended from time to time by the Company (the "**Plan**")), then Executive shall be entitled to the Accrued Obligations and, provided that Executive complies with the obligations in Section 6.1(c) of this Agreement (including the requirement to provide an effective Release), Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1(b) and on the same conditions as if Executive had been terminated by the Company without Cause; *provided, however*, that (a) the Severance Period shall be increased to nine (9) months; (b) Executive shall receive a bonus equal to one-twelfth of the Target Amount multiplied by nine (9); and (c) in the event that Executive's outstanding equity as of the closing of the Change in Control is assumed or continued (in accordance with its terms) by the surviving entity in a Change in Control, then 100% of the unvested portion of such equity shall become vested.

6.7 **Cooperation With Company After Termination of Employment.** Following termination of Executive's employment for any reason and for a period of one (1) year thereafter,

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Executive agrees to cooperate (a) with the Company in (i) the defense of any legal matter involving any matter that arose during Executive's employment with the Company, and (ii) all matters relating to the winding up of Executive's pending work and the orderly transfer of any such pending work to such other employees as may be designated by the Company; and (b) with all government authorities on matters pertaining to any investigation, litigation or administrative proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation. The Company will also pay Executive a per diem amount equal to Executive's Base Salary as of the date of termination divided by two hundred and thirty (230) for each day or partial day that Executive devotes to fulfilling his obligation to cooperate under this Section 6.7, unless Executive is then receiving continued payment of his Base Salary under 6.1(b)(i), above. Following termination of Executive's

employment for any reason, and in the event of a failure by Executive (following reasonable efforts by the Company to secure his voluntary cooperation) to resign from any position as officer or director of the Company, with such resignation to be effective no later than the date of Executive's termination date (or such other date as requested by the Board), the Company is hereby irrevocably authorized to appoint its then-current Chief Executive Officer to act in Executive's name and on his behalf to execute any documents and to do all things reasonably necessary to effect such resignation. Further, Executive shall not, at any time after termination of Executive's employment for any reason, represent himself as being an agent or representative of the Company, unless expressly authorized in a written agreement executed by an authorized officer of the Company.

6.8 Application of Section 409A.

(a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "**Section 409A**") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms.

(b) The preceding provisions shall not be construed as a guarantee by the Company of any particular tax effect to Executive under this Agreement. The Company shall not be liable to Executive for any payment made under this Agreement which is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment as an amount includible in gross income under Section 409A.

(c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

(d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be

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treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

(e) If the Company determines that the severance benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefits will be delayed as follows: on the earlier to occur of (i) the date that is six months and one day after Executive's Separation from Service, and (ii) the date of Executive's death (such earlier date, the "**Delayed Initial Payment Date**"), the Company will (1) pay to Executive a lump sum amount equal to the sum of the Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.8, and (2) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.8.

6.9 Parachute Payments.

(a) Notwithstanding any other provisions of this Agreement to the contrary, in the event that it shall be determined that any payment or distribution to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "**Payment**") would be nondeductible by the Company for Federal income tax purposes because of Section 280G of the Code, the Company shall reduce the aggregate present value of the Payments under this Agreement to the Reduced Amount (as defined below) if, and only if, reducing the Payments under this Agreement will provide Executive with a greater net after-tax amount than would be the case if no such reduction was made, taking into account the applicable federal, state, local and foreign income, employment and other taxes, including the excise tax imposed by Section 4999 of the Code. If a reduction in the Payments is necessary, such reduction shall occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, clauses (1), (2), (3) or (4) of this Section 6.9(a)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A of the Code and then with respect to amounts that are. The "**Reduced Amount**" shall be an amount expressed in present value that maximizes the aggregate present value of Payments under this Agreement without causing any Payment to be nondeductible by the Company because of Section 280G of the Code.

(b) All determinations to be made under this Section 6.9 shall be made at the Company's expense by a firm of certified public accountants of national standing selected by the Company (the "**Accounting Firm**") which may be the firm regularly auditing the financial statements of the Company. The Company and Executive shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably require in order to make a determination under this Section. To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall value,

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services to be provided by Executive (including refraining from performing services pursuant to a covenant not to compete) before, on or after the date of the transaction which cause the application of Section 280G of the Code such that payments in respect of such services may be considered to be "reasonable compensation" within the meaning of the regulations under Section 280G of the Code. In making its determinations hereunder, the Accounting Firm shall apply reasonable, good faith interpretations regarding the applicability of Section 280G and Section 4999, along with any other applicable portions of the Code or other tax laws. The Accounting Firm shall make all determinations required to be made under this Section and shall provide detailed supporting calculations to the Company and Executive within 30 days after the Termination Date or such earlier time as is requested by the Company, and provide an opinion to Executive that he or she has substantial authority not to report any excise tax on his or her Federal income tax return with respect to any Payments. Any such determination by the Accounting Firm shall be binding upon the Company and Executive. Subject to Sections 6.1(c) and 6.9, within five business days thereafter, the Company shall pay to or distribute to or for the benefit of Executive such amounts as are then due to Executive under this Agreement.

(c) As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Accounting Firm or the Company hereunder, it is possible that Payments, as the case may be, will have been made by the Company which should not have been made (“**Overpayment**”) or that additional Payments, as the case may be, which will not have been made by the Company could have been made (“**Underpayment**”), in each case, consistent with the calculations required to be made hereunder. In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against Executive which the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, promptly on notice and demand Executive shall repay to the Company any such Overpayment paid or distributed by the Company to or for the benefit of Executive together with interest at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code; provided, however, that no such amount shall be payable by Executive to the Company if and to the extent such payment would not either reduce the amount on which Executive is subject to tax under Section 1 and Section 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

7. **GENERAL PROVISIONS.**

7.1 **Notices.** Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the Party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive’s address as listed on the Company payroll, or at such other address as the Company or Executive may designate by ten (10) days advance written notice to the other.

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7.2 **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival.** Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the Parties will survive any such termination, whether by expiration of the term, termination of Executive’s employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver.** If either Party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement.** This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements, including the Prior Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company, subject to the approval of the Board, its compensation committee or (if necessary) the stockholders of the Company. The Parties have entered into a separate Confidential Information Agreement and have entered or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the Parties, have or may have provisions that survive termination of Executive’s employment under this Agreement, may be amended or superseded by the Parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Headings.** The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns.** The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a Party, but may not otherwise assign this Agreement or its rights and obligations hereunder. Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to Executive’s estate upon death.

7.8 **Withholding.** All amounts payable hereunder shall be subject to applicable tax withholding.

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7.9 **Choice of Law.** This Agreement in all respects shall be governed by and interpreted in accordance with the laws of the State of North Carolina, both procedural and substantive, without regard to conflicts of law, except to the extent that federal laws and regulations preempt otherwise applicable law.

7.10 **Mandatory Mediation.** Prior to and as a condition of either Party’s filing suit in state or federal court, the Parties shall engage in a mediated settlement conference in accordance with the North Carolina Superior Court Rules Implementing Statewide Mediation. The Parties shall mediate in good faith until settlement is reached or an impasse is declared by the mediator.

7.11 **Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the United States District Court located in Wake County, North Carolina, or any state court located within such state, in respect of any claim relating to this Agreement or Executive’s employment with the Company, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that said Party is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be

appropriate or that this Agreement may not be enforced in or by such courts. Any appellate proceedings shall take place in the appropriate courts having appellate jurisdiction over the courts set forth in this Section.

7.12 **Counterparts.** This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Facsimile signatures and signatures transmitted by PDF shall be equivalent to original signatures.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

LIQUIDIA TECHNOLOGIES, INC.

By: /s/ Neal Fowler
Name: Neal Fowler
Title: Chief Executive Officer

Executive:

/s/ Tim Albury
Tim Albury

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Exhibit A

CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

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CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

THIS CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT (this "**Agreement**") is effective as of DATE (the "**Effective Date**") by and between NAME (hereinafter "**Employee**") and Liquidia Technologies, Inc. (the "**Company**").

STATEMENT OF PURPOSE

The Employee desires to be employed by the Company, and the Company is willing to employ Employee strictly subject to Employee's agreement to be bound by the terms of this Agreement.

IN CONSIDERATION of the Company's employment of the Employee and the compensation and other benefits that the Company may provide to Employee as an employee, the Employee, intending to be legally bound, agrees to the following:

1. For purposes of this Agreement, "**Proprietary Information**" is information (whether in written or other form or whether or not patentable or protectable by copyright, trade secret, trade dress, trademark, or the like) that: (i) has been created, invented, discovered, or developed by the Employee in connection with the Employee's employment by the Company; (ii) is non-public and has been disclosed, furnished, or communicated to the Employee in connection with the Employee's employment by the Company; or (iii) is non-public and the unauthorized disclosure of which could be detrimental to the interests of the Company. Proprietary Information includes, but is not limited to, all inventions, works of authorship, trade secrets, know how, proprietary or confidential information, including, but not limited to, research, product or business plans, products, services, projects, proposals, processes, formulas, ideas, data, compositions, technology, computer programs and related source code and object code, developments, designs, drawings, marketing information and plans, customer lists, budgets, projections, partners, cost analyses, acquisition candidates, relevant parts of analysis, reviews, compilations, studies or other records and documents, and other information owned by the Company, disclosed to the Employee, or to which the Employee has been provided access or gains access, either directly or indirectly, by any means. Proprietary Information does not include information that is or becomes generally available to the public other than as a result of a disclosure by the Employee or by any other person or entity that is under a confidentiality obligation to Company with respect to such information.

2. Nondisclosure of Proprietary Information.

2.1 The Employee acknowledges and agrees that Proprietary Information is the sole property of the Company or its designee and that the Employee shall have no right,

title, license, or interest in or to any Proprietary Information. During and after the Employee's employment by the Company, the Employee shall keep in the strictest confidence and trust all Proprietary Information and shall not directly or indirectly disclose, distribute, copy, supply, or use, in whole or in part, any Proprietary Information except as approved in advance in writing by the Company. Notwithstanding the foregoing, it is understood that, at all such times, the Employee is free (i) to use information which was known to the Employee prior to employment with the Company or which is generally known in the trade or industry through no breach of this Agreement or other act or omission by the Employee, (ii) to discuss the terms of the Employee's employment, wages and working conditions to the extent expressly protected by applicable law, (iii) to report possible violations of federal securities laws to the appropriate government enforcing agency and make such other disclosures that are expressly protected under such laws, (iv) to respond to inquiries from, or otherwise cooperate with, any governmental or regulatory investigation, or (v) to testify truthfully as compelled by lawful process or subpoena related to such testimony after the Employee has provided advance written notice of said subpoena to the Company's Chief Executive Officer and reasonably cooperates with the Company in any process to oppose said subpoena.

2.2 The Employee shall not use or disclose to the Company, or assist in the disclosure to the Company of, proprietary or confidential information belonging to any third parties, including any prior employer(s).

2.3 The Employee acknowledges and agrees that the Company has received and in the future may receive from third parties, including, but not limited to, potential collaborating partners or customers of the Company, confidential or proprietary information ("**Third Party Information**") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of the Employee's employment with the Company and thereafter, the Employee will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than Company personnel or the Company's designee who need to know such information in connection with their work for the Company or such third party) or use Third Party Information, except in connection with the Employee's work for the Company or such third party, unless expressly approved in advance in writing by the Company. The Employee further agrees to be bound by and subject to any confidentiality or nondisclosure agreements or clauses with respect to such Third Party Information between the Company and any such third party.

2.4 Pursuant to the Defend Trade Secrets Act of 2016, the Employee acknowledges that the Employee will not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if the Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Employee may

disclose the trade secret to the Employee's attorney and may use the trade secret information in the court proceeding, if the Employee (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

3. Upon the earliest to occur of (i) termination of the Employee's employment by the Company for any reason, (ii) termination of the Employee's access to Proprietary Information, or (iii) the request of the Company, the Employee shall return to the Company (and will not keep in Employee's possession or control or deliver to anyone else) all materials belonging to the Company, whether kept at the Employee's business office, personal residence or otherwise, including, but not limited to, all materials containing or relating to any Proprietary Information in any written, tangible, electronic or other form that the Employee may have in Employee's possession or control, and any and all mobile telephones, personal digital assistants, pagers, computer and other electronic devices and credit cards. After returning the materials and equipment described in the preceding sentence to the Company, the Employee shall not retain any copies of any such materials.

4. Ownership of Proprietary Information.

4.1 All Proprietary Information and other information, which by its nature is proprietary to the Company, relating to the Company's business or the Company's anticipated business, or based on, derived from or relating to any Proprietary Information (collectively, Proprietary Information and "**Work Product**") shall be the sole property of the Company. The Employee agrees that all Proprietary Information and Work Product created, conceived, reduced to practice, made or otherwise developed by the Employee, solely or jointly, during and in any way related to the Employee's employment, shall be the exclusive property of the Company and/or its designees or assignees, and shall be deemed "works made for hire," as that term is defined in Section 101 of the U.S. Copyright Act of 1976, as amended.

4.2 If, for any reason, any Proprietary Information and Work Product does not qualify as works made for hire, the Employee shall assign and does hereby irrevocably, unconditionally, and without encumbrance of any kind assign to the Company, and forever waives and agrees never to assert, all right, title, and interest, including without limitation, all patent, trademark, copyright, trade secret, and other intellectual property (collectively, "**Intellectual Property**") rights, in and to such Proprietary Information and Work Product. The Employee shall assist the Company, or its designee, in every proper way to secure the Company's rights in the Proprietary Information and Work Product and any Intellectual Property rights relating thereto in any and all countries, including (i) the disclosure to the Company of all pertinent information and data with respect thereto, (ii) the execution of all applications, specifications, oaths, assignments and all other instruments which the Company shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to the Company or its designee the sole and exclusive right, title and interest in and to the Proprietary Information and Work Product, and (iii) the defense of any claim, demand, action, litigation, suit, or other proceeding,

including, but not limited to, interference, cancellation, opposition, or other proceedings in respect of such applications or any registrations or patents issuing therefrom. The Employee shall continue such assistance after the termination of the Employee's employment by the Company.

4.3 During the Employee's employment by the Company, the Employee shall report promptly to the Company all Proprietary Information and Work Product created, conceived, reduced to practice, or otherwise developed by the Employee, solely or jointly.

4.4 If the Company is unable because of the Employee's mental or physical incapacity or for any other reason to secure the Employee's signature to apply for or to secure protection of any Proprietary Information and Work Product, then the Employee hereby designates and appoints the Company and its duly authorized officers and agents as its agents and attorneys-in-fact to execute and file any certificates, applications or documents and to do all of their lawful acts necessary to perfect and protect the Company's rights in the Proprietary Information and Work Product. The Employee expressly acknowledges that the foregoing power of attorney is coupled with an interest and is therefore irrevocable and shall survive the Employee's death or incompetency and the termination of the Employee's employment or engagement by the Company.

4.5 The Employee hereby represents and warrants that the Employee has fully disclosed to the Company on Schedule A attached hereto any idea, invention, discovery or process relating to the Company's business which, prior to the Employee's employment with the Company, the Employee conceived, reduced to practice, or developed, individually or jointly, and is to be excluded from the scope of this Agreement.

4.6 Notwithstanding anything in this Agreement to the contrary, the obligation of the Employee to assign or offer to assign the Employee's rights in an invention to the Company shall not extend or apply to an invention that the undersigned developed (i) entirely on the Employee's own time; (ii) without using Company equipment, supplies, facilities, or other resources, Proprietary Information or trade secret information unless such invention (a) relates to the Company's business or actual or demonstrably anticipated research or development, or (b) results from any work performed by the Employee for the Company. The Employee shall bear the burden of proof in establishing that the Employee's invention qualifies for exclusion under this Section 4.6.

5. Covenant Not To Compete.

5.1 For purposes of Part 5 of this Agreement, including each of its subparts, the following terms shall have the following meanings:

a. "**Competing Business**" shall mean any corporation, partnership, person, or other entity that is researching, developing, manufacturing, marketing, distributing, or selling any product, service, or technology that is competitive with any part of the Company's Business.

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b. The "**Company's Business**" shall mean the development, manufacture, marketing, distribution, or sale of, including research directed to, any product, service, or technology that the Company is developing, manufacturing, marketing, distributing, or selling or to which the Company directed research at any time during Employee's employment with the Company. As of the date of this Agreement, the Company's Business includes, but is not limited to, research directed to and the development, manufacture, marketing, distribution, and/or sale of: (i) isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold; (ii) size and/or shape controllable pharmaceutical or therapeutic particles molded using a polymer or low surface energy mold; (iii) film based products of or containing arrays of size and/or shape controlled structures molded from a low surface energy mold; (iv) isolated nano or micro size and/or shape controlled particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled particles fabricated from a mold; (v) nano or micro size and/or shape controllable particles molded using a polymer or low surface energy mold; or (vi) patterned drum fabrication and mold for manufacturing the products of (i)-(v) above. The Employee understands that during the Employee's employment with the Company, the Company's Business may expand or change, and the Employee agrees that any such expansions or changes shall expand or contract the definition of the Company's Business and the Employee's obligations under this Agreement accordingly.

c. "**Territory**" shall mean the following severable geographic areas: (i) the world, (ii) any country in which the Company or a Competing Business is engaged in business, (iii) any country in which the Company is engaged in business, (iv) the United States, Europe, and Asia, (v) the United States, (vi) any state, including the District of Columbia, in which the Company or a Competing Business is engaged in business, (vii) any state, including the District of Columbia, in which the Company is engaged in business, (viii) North Carolina, (ix) a one hundred mile radius of the Employee's principal place of employment or work for the Company, or (x) a one hundred mile radius of the Company's corporate headquarters.

5.2 It is recognized and understood by the Employee that, through the Employee's association with the Company, the Employee shall: (i) have access to trade secrets and confidential information of the Company, including, but not limited to, valuable information about its intellectual property, business operations and methods, and the persons with which it does business in various locations throughout the world, that is not generally known to or readily ascertainable by the Company's competitors, (ii) develop relationships with the Company's customers and others with which the Company does business, and these relationships are among the Company's most important assets, (iii) receive specialized knowledge of and specialized training in the Company's Business, and (iv) gain such knowledge of the Company's Business that, during the course of the Employee's employment with the Company and for a period of one year following the termination thereof, the Employee could not perform services for a Competing Business

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without inevitably disclosing the Company's trade secrets and Proprietary Information to that Competing Business.

5.3 While employed by the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise) for any Competing Business, (ii) engage in any activities (or assist others to engage in any activities) that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing or prospective customers, suppliers, business partners, or contractors of the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (v) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company.

5.4 For a period of one year following the termination of the Employee's employment with the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise), within the Territory for any Competing Business, that are the same or substantially similar to any services that the Employee performed for the Company or that otherwise utilize skills, knowledge, and/or business contacts and/or relationships that the Employee developed while providing services to

the Company, (ii) engage in any activities (or assist others to engage in any activities) within the Territory that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or any prospective customers to whom the Company has made a written proposal ("Prospective Customers"), suppliers, business partners, or contractors of the Company, during the last year of the Employee's employment with the Company, to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, (v) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or Prospective Customers, suppliers, business partners, or contractors of the Company with which the Employee worked or had business contact during the last year of the Employee's employment with the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (vi) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company. Where a Competing Business is a large enterprise with separately operated business units, the restrictions in Section 5.4(i) shall not apply to any such business unit that has no involvement in the research, development, manufacture, marketing, distribution, or sale of a product, service, or technology that is competitive with any part of the Company's Business; *provided, however*, that this sentence does not apply to any employees in a scientific role or whose role involves the research, development or maintenance of the Company's trade secrets. These obligations will continue for the specified period regardless of whether the termination of the Employee's

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employment was voluntary or involuntary or with or without cause, and the specified period shall be tolled and shall not run during any time in which the Employee fails to abide by this obligations.

5.5 The Employee shall not at any time following the termination of the Employee's employment with the Company use the name or trading style of the Company in any country, or use in any country any name or trading style which is the same as or similar to any of the trade or service marks of the Company or any brand name or proposed brand name of any of the Company's products or proposed products, or represent himself or herself as carrying on or continuing or being connected with the Company or its business for any purpose whatsoever unless otherwise agreed by the Company in writing.

5.6 While employed by the Company, the Employee shall disclose to the audit committee of the Company the Employee's interest in respect of any contract or arrangement in which the Employee has any personal material interest, directly or indirectly, or any conflicts of interest (including the conflict of interest that may arise from the Employee's directorship(s) or executive position or personal investments in any corporation(s)) that may involve the Employee. Upon such disclosure, the Employee shall abstain from voting in respect of any such contract, arrangement, proposal, transaction, or matter in which the conflict of interest arises, unless and until the audit committee has determined that no such conflict of interest exists.

5.7 As an exception to the restrictions set forth in Parts 5.3 and 5.4 herein, the Employee may own passive investments in a Competing Businesses, (including, but not limited to, indirect investments through mutual funds), provided that the securities of the Competing Business are publicly traded and the Employee does not own or control more than two percent of the outstanding voting rights or equity of the Competing Business.

5.8 In the event that a court determines that the length of time, the geographic area, or the activities prohibited under this Agreement are too restrictive to be enforceable, the Court may reduce the scope of the restriction to the extent necessary to make the restriction enforceable.

5.9 The market for the Company's services and the Company's Business is highly specialized and highly competitive such that other companies and business entities compete with the Company in various locations throughout the world. The provisions set forth in this Agreement: (i) are reasonably necessary to protect the Company's legitimate business interests, (ii) are reasonable as to the time, territory, and scope of activities that are restricted, (iii) do not interfere with the Employee's ability to earn a comparable living or secure employment in the field of the Employee's choice, (iv) do not interfere and are not inconsistent with public policy or the public interest, and (v) are described with sufficient accuracy and definiteness to enable the Employee to understand the scope of the restrictions on the Employee.

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5.10 Because of the unique nature of the Proprietary Information, the Employee understands and agrees that the Company will suffer irreparable harm in the event that the Employee fails to comply with any of the Employee's obligations under this Agreement and that monetary damages will be inadequate to compensate the Company for such breach. Accordingly, the Employee agrees that the Company will, in addition to any other remedies available to it at law or in equity, be entitled to injunctive relief to enforce the terms of this Agreement.

6. The Employee hereby authorizes the Company to provide a copy of this Agreement, including any exhibits hereto, to any and all of the Employee's future employers and to notify any and all such future employers that the Company intends to exercise its legal rights arising out of or in connection with this Agreement and/or any breach or any inducement of a breach hereof.

7. The Employee agrees that, during the term of the Employee's employment with the Company, the Employee will not: (i) engage in any other employment, occupation, consulting, or other business activity that conflicts with the Employee's obligations to the Company, or (ii) engage in any other activities that conflict with the Employee's obligations to the Company.

8. Debarment Certification

8.1 The Employee represents and promises that Employee:

- (a) is not presently, and during the Employee's employment will not be, debarred or convicted for a crime for which Employee can be debarred under the Generic Drug Enforcement Act of 1992 (21USC335a)(the "**Act**"); and
- (b) is not presently, and during the Employee's employment will not be, indicted or otherwise criminally or civilly charged by a government entity (Federal or State) with commission of the kinds of conduct for which Employee can be debarred under the Act; and
- (c) will not employ or otherwise engage any individual who has been (i) debarred or (ii) convicted of a crime for which a person can be debarred under the Act, in any capacity in connection with the activities of developing or reporting data which may become part of an application for approval of a drug or biologic.

8.2 The Employee promises that, during the Employee's employment with the Company, the Employee will promptly notify the Company upon learning of or having a belief that the Employee cannot satisfy the obligations of Section 8.1 above.

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9. The Employee agrees that this Agreement shall be enforced, construed and interpreted under the law of the state of North Carolina, without regard to the conflicts of laws principles thereof. The state and federal courts in North Carolina shall be the exclusive venues for the adjudication of all disputes arising out of this Agreement, and the Employee consents to the exercise of personal jurisdiction over the Employee in any such adjudication and hereby waives any and all objections and defenses to the exercise of such personal jurisdiction.

10. The Employee agrees that: (i) the Employee's employment relationship with the Company is "at-will," which means that either the Employee or the Company can terminate the relationship at any time for any reason or no reason, with or without notice, unless the Employee and the Company are parties to a contract that expressly provides a fixed term of employment, (ii) the Employee's employment relationship with the Company is contingent upon the Employee's execution of this Agreement, which is a material inducement to the Company to offer the employment relationship to the Employee and to provide Proprietary Information to the Employee, and (iii) this Agreement shall survive any termination for any reason whatsoever of the Employee's employment relationship with the Company.

11. The Employee agrees that the Company's failure to insist upon strict compliance with any provision of this Agreement shall not be deemed a waiver of such provision or of any other provision in the Agreement. The provisions of this Agreement shall be enforceable, notwithstanding the existence of any breach of this Agreement by the Company or of any claim by the Employee against the Company, whether predicated on this Agreement or otherwise.

12. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior or contemporary agreements or understandings, whether written or oral, with respect thereto, provided, however, prior to the execution of this Agreement, if Company and the Employee were parties to any agreement regarding the subject matter hereof, that agreement will be superseded by this Agreement prospectively only. This Agreement may not be modified or amended except by an agreement in writing signed by both parties.

13. The Employee agrees that this Agreement is assignable by the Company at the Company's discretion and the Employee authorizes the Company's successors and assigns to enforce this Agreement for their respective benefits.

14. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

15. The Employee agrees that a breach of any provision(s) of this Agreement will toll the running of the limitation period with respect to such provision(s) for as long as such breach occurs.

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16. The Employee agrees and acknowledges that the Company's agreement to employ the Employee, in and of itself, is sufficient and adequate consideration for the Employee's promises and obligations hereunder, and that the compensation and other benefits that the Company provides the Employee during the course of the Employee's employment are, independently and collectively, sufficient and adequate consideration for the Employee's promises and obligations hereunder.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Employee has executed this Agreement to be effective as of the date set forth above.

LIQUIDIA TECHNOLOGIES, INC.

By: _____ (s)
Name:
Title:

NAME (s)

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SCHEDULE A

The following items are inventions, ideas, computer software programs or other equipment or technology not covered by Section 4 of this Agreement, which the undersigned conceived of or developed, wholly or in part, prior to the Employee's employment or engagement with the Company and shall be excluded from the scope of this Agreement.

If the undersigned has no such items to disclose, write "NONE" on this line: .

Description of Items: (if applicable)

Title on Document

Date on Document

Name of Witness

LIQUIDIA TECHNOLOGIES, INC.

By: _____

NAME _____

Dated: _____

Dated: _____

AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT

This **AMENDED AND RESTATED EXECUTIVE EMPLOYMENT AGREEMENT** (the “**Agreement**”) is entered into effective July 25, 2018 (the “**Effective Date**”), by and between Robert Lippe (“**Executive**”) and Liquidia Technologies, Inc., a Delaware corporation (the “**Company**”). Each of the Company and Executive is a “**Party**” and, collectively, they are the “**Parties**.”

The Company and Executive entered into an Executive Employment Agreement dated April 1, 2017 (the “**Prior Agreement**”); and

The Parties agree that this Agreement supersedes any and all prior employment agreement and understandings between the Parties and to provide for the employment of Executive upon the terms and conditions set forth herein.

Accordingly, in consideration of the mutual promises and covenants contained herein, the Parties agree to the following:

1. EMPLOYMENT BY THE COMPANY.

1.1 **At-Will Employment.** Executive shall be employed by the Company on an “at will” basis, meaning either the Company or Executive may terminate Executive’s employment at any time, with or without cause or advance notice. Any contrary representations that may have been made to Executive shall be superseded by this Agreement. This Agreement shall constitute the full and complete agreement between Executive and the Company on the “at will” nature of Executive’s employment with the Company, which may be changed only in an express written agreement signed by Executive and a duly authorized officer of the Company. Executive’s rights to any compensation following a termination shall be only as set forth in Section 6.

1.2 **Position.** Subject to the terms set forth herein, the Company agrees to employ Executive in the position of Chief Operations Officer, and Executive hereby accepts such employment. Executive will report to the Chief Executive Officer (“**CEO**”).

1.3 **Duties.** Executive shall faithfully perform all duties of the Company related to the position or positions held by Executive, including but not limited to all duties set forth in this Agreement and/or in the Bylaws of the Company related to the position or positions held by Executive and all additional duties that are reasonably prescribed from time to time by the CEO. Executive shall devote Executive’s full business time and attention to the performance of Executive’s duties and responsibilities on behalf of the Company and in furtherance of its best interests. Executive shall perform Executive’s duties under this Agreement principally out of the Company’s corporate headquarters in North Carolina. In addition, Executive shall make such business trips at the Company’s expense to such places as may be necessary or advisable for the efficient operations of the Company.

1.4 **Company Policies.** Executive shall comply with all Company policies, standards, rules, and regulations (a “**Company Policy**” or collectively, the “**Company Policies**”) and all applicable government laws, rules, and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of

the date of this Agreement. Notwithstanding the foregoing, in the event that the terms of this Agreement differ from or are in conflict with the Company’s general employment policies or practices, this Agreement shall control.

2. COMPENSATION.

2.1 **Salary.** Executive shall receive a monthly salary of \$34,099.08, which equates to \$409,189.00 on an annualized basis, payable subject to standard federal and state payroll withholding requirements in accordance with the Company’s standard payroll practices (“**Base Salary**”). Executive’s Base Salary may be increased from time to time by the Board of Directors of the Company (the “**Board**”). Notwithstanding anything to the contrary, the Base Salary may be reduced if the Board determines such reduction is necessary and justified by the financial condition of the Company and implements an equal percentage reduction in the base salaries of all of the Company’s executive officers, but in no event will such reduction be greater than ten percent (10%) of the Base Salary. A reduction in Executive’s Base Salary in accordance with the immediately preceding sentence shall not constitute a material diminution in Base Salary as described in Section 6.4(b) of this Agreement.

2.2 **Bonus.** During the period Executive is employed with the Company, Executive shall be eligible to earn a discretionary annual cash bonus of up to 40% of Base Salary (“**Target Amount**”), subject to review and adjustment by the Company in its sole discretion, pursuant to the terms of the Liquidia Technologies, Inc. Annual Cash Bonus Plan, as amended by the Company from time to time (the “**Bonus Plan**”), or its successor plan. Any bonus, if earned, will be paid to Executive within the time period set forth in the Bonus Plan.

2.3 **Benefits.** Executive will be eligible to participate on the same basis as similarly situated employees in the Company’s benefit plans in effect from time to time during Executive’s employment. All matters of eligibility for coverage or benefits under any benefit plan shall be determined in accordance with the provisions of such plan. The Company reserves the right to change, alter, or terminate any benefit plan in its sole discretion.

2.4 **Expense Reimbursement.** The Company shall reimburse Executive for all customary and appropriate business-related expenses actually incurred and documented in accordance with Company Policy, as in effect from time to time. For the avoidance of doubt, to the extent that any reimbursements payable to Executive are subject to the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the “**Code**”): (a) any such reimbursements will be paid no later than December 31 of the year following the year in which the expense was incurred, (b) the amount of expenses reimbursed in one year will not affect the amount eligible for reimbursement in any subsequent year, and (c) the right to reimbursement under this Agreement will not be subject to liquidation or exchange for another benefit.

3. PROPRIETARY INFORMATION, INVENTIONS, NON-COMPETITION AND NON-SOLICITATION OBLIGATIONS. The Parties have entered into a Confidentiality, Inventions and Non-Competition Agreement (the “**Confidential Information Agreement**”), which may be amended by the Parties from time to time without regard to this Agreement. The Confidential Information Agreement contains provisions that are intended by the Parties to survive and do survive termination of this Agreement.

3.1 **Permissible Communications.** Notwithstanding anything to the contrary in the Confidential Information Agreement, Executive acknowledges that nothing in the Confidential Information Agreement shall be construed to prohibit Executive from (a) filing a charge or complaint with, or participating in any proceeding before, a government agency authorized to enforce and investigate suspected violations of federal anti-discrimination laws, labor relations laws, occupational health and safety laws, wage and hour laws, and such similar state or local laws; (b) reporting possible violations of federal securities laws to the appropriate government enforcing agency and making such other disclosures that are expressly protected under such laws, or (c) responding truthfully to inquiries from, or otherwise cooperating with, any governmental or regulatory investigation (the activities set forth in clauses (a) through (c) are collectively referred to as the “**Protected Activities**”). Executive understands that in connection with such Protected Activity, Executive is permitted to disclose documents or other information as permitted by law, and without giving notice to, or receiving authorization from, the Company; *provided, however*, that Executive agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute Proprietary Information under the Confidential Information Agreement to any parties other than the appropriate government agencies. Executive further understands that “Protected Activity” does not include the disclosure of any Company attorney-client privileged communications, and that any such disclosure without the Company’s written consent shall constitute a material breach of this Agreement.

3.2 **Defend Trade Secrets Act.** Pursuant to the Defend Trade Secrets Act of 2016, Executive acknowledges that Executive will not have criminal or civil liability under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the trade secret to Executive’s attorney and may use the trade secret information in the court proceeding, if Executive (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

4. **OUTSIDE ACTIVITIES DURING EMPLOYMENT.** Except with the prior written consent of the Company, which shall not be unreasonably withheld, Executive will not, while employed by the Company, undertake or engage in any other employment, occupation, or business enterprise that would interfere with Executive’s responsibilities and the performance of Executive’s duties hereunder, except for (i) reasonable time devoted to volunteer services for or on behalf of such religious, educational, non-profit, and/or other charitable organization as Executive may wish to serve, (ii) reasonable time devoted to activities in the non-profit and business communities consistent with Executive’s duties, and (iii) such other activities as may be specifically approved by the Company. This restriction shall not, however, preclude Executive from owning less than one percent (1%) of the total outstanding shares of a publicly traded company, or employment or service in any capacity with Affiliates of the Company. As used in this Agreement, “**Affiliates**” means an entity under common management or control with the Company.

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5. **NO CONFLICT WITH EXISTING OBLIGATIONS.** Executive represents that Executive’s performance of all the terms of this Agreement and as an executive of the Company do not and will not breach any agreement or obligation of any kind made prior to Executive’s employment by the Company, including agreements or obligations Executive may have with prior employers or entities for which Executive has provided services. Executive has not entered into, and Executive agrees that Executive will not enter into, any agreement or obligation, either written or oral, in conflict herewith.

6. **TERMINATION OF EMPLOYMENT.** The Parties acknowledge that Executive’s employment relationship with the Company is at-will. The provisions in this Section govern the amount of compensation, if any, to be provided to Executive upon termination of employment and do not alter this at-will status.

6.1 **Termination by the Company Without Cause.**

(a) The Company shall have the right to terminate Executive’s employment with the Company pursuant to this Section 6.1 at any time without “Cause” (as defined in Section 6.2(b) below) by giving notice as described in Section 7.1 of this Agreement. A termination pursuant to Sections 6.3 and 6.5 below is not a termination without “Cause” for purposes of receiving the benefits described in this Section 6.1.

(b) If the Company terminates Executive’s employment at any time without Cause and provided that such termination constitutes a “separation from service” (as defined under Treasury Regulation Section 1.409A-1(h) a “**Separation from Service**”), then Executive shall be entitled to receive the Accrued Obligations (defined below) and, subject to Executive’s compliance with the obligations in Section 6.1(c) below, then Executive shall also be entitled to receive (collectively, the “**Severance Benefits**”):

(i) an amount equal to Executive’s then current Base Salary for nine (9) months (the “**Severance Period**”), less all applicable withholdings and deductions, paid in equal installments beginning on the Company’s first regularly scheduled payroll date following the Release Effective Date (as defined in Section 6.1(c) below), with the remaining installments occurring on the Company’s regularly scheduled payroll dates thereafter;

(ii) an amount equal to the bonus (if any) that Executive would have earned pursuant to the Bonus Plan with respect to any full Performance Period (as defined in the Bonus Plan) through which Executive continued to provide services, notwithstanding the employment requirement set forth in Section 6.3 of the Bonus Plan, which shall be paid at the same time and in the same manner that bonus awards are paid to the Company’s other participants in the Bonus Plan; and

(iii) payment of the employer portion of the premiums required to continue Executive’s group health care coverage under the applicable provisions of the Consolidated Omnibus Budget Reconciliation Act of 1985 (“**COBRA**”), provided that Executive timely elects to continue coverage under COBRA, until the earliest of (A) the close of the Severance Period, (B) the expiration of Executive’s eligibility for the continuation coverage under COBRA, or (C) the date when Executive becomes eligible for substantially equivalent

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health insurance coverage in connection with new employment (such period from the termination date through the earliest of (A), (B) or (C), the “**COBRA Payment Period**”). Notwithstanding the foregoing, if at any time the Company determines in its sole discretion that the payment of the COBRA premiums would result in a violation of the nondiscrimination rules of Section 105(h)(2) of the Code, or any statute or regulation of similar effect (including but not limited to the 2010 Patient Protection and Affordable Care Act, as amended by the 2010 Health Care and Education Reconciliation Act), then in lieu of providing the COBRA premiums, the Company will instead pay Executive on the last day of each remaining month of the COBRA Payment Period, a fully taxable cash payment equal to the COBRA premiums for that month, subject to applicable tax withholdings for the remainder of the COBRA Payment Period, regardless of whether Executive elects COBRA coverage (the “**Special Severance Payment**”). Executive may, but is not obligated to, use such Special Severance Payment toward the cost of COBRA premiums. If Executive becomes eligible for coverage under another employer’s group health plan or otherwise ceases to be eligible for COBRA during the COBRA Payment Period, Executive must immediately notify the Company of such event, and all payments and obligations under this clause will cease.

(c) Executive will be paid all of the Accrued Obligations on the Company’s first payroll date after Executive’s date of termination from employment or earlier if required by law. Executive shall receive the Severance Benefits pursuant to Section 6.1(b) of this Agreement if: (i) Executive signs and delivers to the Company an effective, general release of claims in favor of the Company and its affiliates and representatives, in a form acceptable to the Company (the “**Release**”), by the 60th day following the termination date or such earlier date as set forth in the Release, which cannot be revoked in whole or part (if applicable) by such date or such earlier date as set forth in the Release (the date that the Release can no longer be revoked is referred to as the “**Release Effective Date**”); (ii) if Executive holds any other positions with the Company, Executive resigns such position(s) to be effective no later than the date of Executive’s termination date (or such other date as requested by the Board); (iii) Executive returns all Company property in proper order and condition, reasonable wear and tear excepted, (including, but not limited to, all books, documents, papers, materials and any other property or assets relating to the business or affairs of the Company which may be in Executive’s possession or under his control but excluding copies of records related to Executive’s compensation from the Company and any equity ownership in the Company); (iv) Executive complies with all post-termination obligations under this Agreement and the Confidential Information Agreement; and (v) Executive complies with the terms of the Release, including without limitation any non-disparagement and confidentiality provisions contained in the Release. To the extent that any Severance Benefits are deferred compensation under Section 409A of the Code, and are not otherwise exempt from the application of Section 409A, then, if the period during which Executive may consider and sign the Release spans two calendar years, the payment of Severance Benefits will not be made or begin until the later calendar year.

(d) For purposes of this Agreement, “**Accrued Obligations**” are (i) Executive’s accrued but unpaid salary through the date of termination, (ii) any unreimbursed business expenses incurred by Executive payable in accordance with the Company’s standard expense reimbursement policies, and (iii) benefits owed to Executive under any qualified retirement plan or health and welfare benefit plan in which Executive was a participant in accordance with applicable law and the provisions of such plan.

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(e) The Severance Benefits provided to Executive pursuant to this Section 6.1 is in lieu of, and not in addition to, any benefits to which Executive may otherwise be entitled under any Company severance plan, policy or program.

(f) Any damages caused by the termination of Executive’s employment without Cause would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

6.2 **Termination by the Company for Cause.**

(a) Subject to Section 6.2(c) below, the Company shall have the right to terminate Executive’s employment with the Company at any time for Cause by giving notice as described in Section 7.1 of this Agreement.

(b) “**Cause**” for termination shall mean that the Company has determined in its sole discretion that Executive has engaged in any of the following: (i) any material breach of the terms of this Agreement by Executive, or the willful failure of Executive to diligently and properly perform Executive’s material duties for the Company; (ii) Executive’s misappropriation or unauthorized use of the Company’s tangible or intangible property that causes or is likely to cause material harm to the Company or its reputation, or material breach of the Confidential Information Agreement or any other similar agreement regarding confidentiality, intellectual property rights, non-competition or non-solicitation; (iii) any material failure to comply with the Company Policies or any other policies and/or directives of the Board; (iv) Executive’s use of illegal drugs or any illegal substance, or Executive’s use of alcohol in any manner that materially interferes with the performance of Executive’s duties under this Agreement; (v) any (A) dishonest or illegal action (including, without limitation, embezzlement) by Executive, or (B) other action, whether or not dishonest or illegal, by Executive, in either case which is materially detrimental to the interest and well-being of the Company, including, without limitation, harm to its reputation; (vi) Executive’s failure to fully disclose any material conflict of interest Executive may have with the Company in a transaction between the Company and any third party which is materially detrimental to the interest and well-being of the Company; (vii) any adverse action or omission by Executive which would be required to be disclosed pursuant to public securities laws or which would limit the ability of the Company or any entity affiliated with the Company to sell securities under any Federal or state law or which would disqualify the Company or any affiliated entity from any exemption otherwise available to it; or (viii) become prohibited by law or any order from any regulatory body or governmental body from being an employee or director of any company, firm or entity; *provided, however*, that prior to any termination of Executive for “Cause,” if the grounds for such Cause are reasonably capable of cure by Executive, the Company shall provide Executive with written notice of the grounds for Cause and provide Executive with ten (10) business days in which to cure such Cause.

(c) In the event Executive’s employment is terminated at any time for Cause, Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company’s standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

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6.3 **Resignation by Executive.**

(a) Executive may resign from Executive’s employment with the Company at any time by giving notice as described in Section 7.1.

(b) In the event Executive resigns from Executive's employment with the Company for any reason (other than a resignation for Good Reason as described in Section 6.4 below), Executive will not receive Severance Benefits or any other severance compensation or benefits, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.4 **Resignation by Executive for Good Reason.**

(a) Provided Executive has not previously been notified of the Company's intention to terminate Executive's employment, Executive may resign from employment with the Company for Good Reason (as defined in Section 6.4(b) below).

(b) "**Good Reason**" for resignation shall mean the occurrence of any of the following without Executive's prior consent: (i) a material diminution in Executive's authority, duties or responsibilities; (ii) a material diminution in Executive's Base Salary; (iii) a requirement that Executive report to an employee other than the CEO; (iv) Executive's principal place of employment is relocated by more than twenty-five (25) miles from the Company's present location in Research Triangle Park, North Carolina; or (v) the Company materially breaches its obligations under this Agreement. In addition to any requirements set forth above, in order for any of the above events to constitute "Good Reason," Executive must (X) inform the Company of the existence of the event within sixty (60) days of the initial existence of the event, after which date the Company shall have no less than thirty (30) days to cure the event which otherwise would constitute "Good Reason" hereunder and (Y) Executive must terminate his employment with the Company for such "Good Reason" no later than ninety (90) days after the initial existence of the event which prompted Executive's termination. Any actions taken by the Company to accommodate a disability of Executive or pursuant to the Family and Medical Leave Act shall not be a Good Reason for purposes of this Agreement.

(c) In the event Executive resigns from Executive's employment for Good Reason, and provided that such termination constitutes a Separation from Service, then subject to Executive's compliance with the obligations in Section 6.1(c) above, Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1 and on the same terms and conditions set forth in Section 6.1(c) and Section 6.1(e) as if Executive had been terminated by the Company without Cause.

(d) Any damages caused by the termination of Executive's employment for Good Reason would be difficult to ascertain; therefore, the Severance Benefits for which Executive is eligible pursuant to Section 6.1(b) above in exchange for the Release is agreed to by the Parties as liquidated damages, to serve as full compensation, and not a penalty.

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6.5 **Termination by Virtue of Death or Disability of Executive.**

(a) In the event of Executive's death while employed pursuant to this Agreement, all obligations of the Parties hereunder shall terminate immediately, and the Company shall, pursuant to the Company's standard payroll policies, pay to Executive's legal representatives all Accrued Obligations.

(b) Subject to applicable state and federal law, the Company shall at all times have the right, upon written notice to Executive, to terminate this Agreement based on Executive's Disability. Termination by the Company of Executive's employment based on "**Disability**" shall mean termination because a qualified medical doctor mutually acceptable to the Company and Executive or Executive's personal representative has certified in writing that: (A) Executive is unable, because of a medically determinable physical or mental disability, to perform the essential functions of Executive's job, with or without a reasonable accommodation, for more than one hundred and eighty (180) calendar days measured from the last full day of work; or (B) by reason of mental or physical disability, it is unlikely that Executive will be able, within one hundred and eighty (180) calendar days, to resume the essential functions of Executive's job, with or without a reasonable accommodation, and to otherwise discharge Executive's duties under this Agreement. This definition shall be interpreted and applied consistent with the Americans with Disabilities Act, the Family and Medical Leave Act, and other applicable law. In the event Executive's employment is terminated based on Executive's Disability, Executive will not receive Severance Benefits or any other severance compensation or benefit, except that, pursuant to the Company's standard payroll policies, the Company shall pay to Executive the Accrued Obligations.

6.6 **Change in Control Benefits.** In the event the Company (or any surviving or acquiring corporation) terminates Executive's employment without Cause or Executive resigns for Good Reason within twelve (12) months following the effective date of a Change in Control (as defined under the Liquidia Technologies, Inc. 2016 Equity Incentive Plan, as may be amended from time to time by the Company (the "**Plan**")), then Executive shall be entitled to the Accrued Obligations and, provided that Executive complies with the obligations in Section 6.1(c) of this Agreement (including the requirement to provide an effective Release), Executive shall be eligible to receive the same Severance Benefits as described in Section 6.1(b) and on the same conditions as if Executive had been terminated by the Company without Cause; *provided, however*, that (a) the Severance Period shall be increased to twelve (12) months; (b) Executive shall receive a bonus payable at the Target Amount; and (c) in the event that Executive's outstanding equity as of the closing of the Change in Control is assumed or continued (in accordance with its terms) by the surviving entity in a Change in Control, then 100% of the unvested portion of such equity shall become vested.

6.7 **Cooperation With Company After Termination of Employment.** Following termination of Executive's employment for any reason and for a period of one (1) year thereafter, Executive agrees to cooperate (a) with the Company in (i) the defense of any legal matter involving any matter that arose during Executive's employment with the Company, and (ii) all matters relating to the winding up of Executive's pending work and the orderly transfer of any such pending work to such other employees as may be designated by the Company; and (b) with all government authorities on matters pertaining to any investigation, litigation or administrative

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proceeding pertaining to the Company. The Company will reimburse Executive for any reasonable travel and out of pocket expenses incurred by Executive in providing such cooperation. The Company will also pay Executive a per diem amount equal to Executive's Base Salary as of the date of termination divided by two hundred and thirty (230) for each day or partial day that Executive devotes to fulfilling his obligation to cooperate under this Section 6.7, unless Executive is then receiving continued payment of his Base Salary under 6.1(b)(i), above. Following termination of Executive's employment for any reason, and in the event of a failure by Executive (following reasonable efforts by the Company to secure his voluntary cooperation) to resign from any position as officer or director of the Company, with such resignation to be effective no later than the date of Executive's termination date (or such other date as requested by the Board), the Company is hereby irrevocably authorized to appoint its then-current Chief Executive Officer to act in Executive's name and

on his behalf to execute any documents and to do all things reasonably necessary to effect such resignation. Further, Executive shall not, at any time after termination of Executive's employment for any reason, represent himself as being an agent or representative of the Company, unless expressly authorized in a written agreement executed by an authorized officer of the Company.

6.8 Application of Section 409A.

(a) It is intended that all of the severance payments payable under this Agreement satisfy, to the greatest extent possible, the exemptions from the application of Section 409A of the Code and the regulations and other guidance thereunder and any state law of similar effect (collectively, "**Section 409A**") provided under Treasury Regulations Sections 1.409A-1(b)(4) and 1.409A-1(b)(9), and this Agreement will be construed in a manner that complies with Section 409A. If not so exempt, this Agreement (and any definitions hereunder) will be construed in a manner that complies with Section 409A, and incorporates by reference all required definitions and payment terms.

(b) The preceding provisions shall not be construed as a guarantee by the Company of any particular tax effect to Executive under this Agreement. The Company shall not be liable to Executive for any payment made under this Agreement which is determined to result in an additional tax, penalty or interest under Section 409A, nor for reporting in good faith any payment as an amount includible in gross income under Section 409A.

(c) No severance payments will be made under this Agreement unless Executive's termination of employment constitutes a "separation from service" (as defined under Treasury Regulation Section 1.409A-1(h)).

(d) For purposes of Section 409A (including, without limitation, for purposes of Treasury Regulations Section 1.409A-2(b)(2)(iii)), Executive's right to receive any installment payments under this Agreement (whether severance payments or otherwise) shall be treated as a right to receive a series of separate payments and, accordingly, each installment payment hereunder shall at all times be considered a separate and distinct payment.

(e) If the Company determines that the severance benefits provided under this Agreement constitutes "deferred compensation" under Section 409A and if Executive is a "specified employee" of the Company, as such term is defined in Section 409A(a)(2)(B)(i) of the

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Code at the time of Executive's Separation from Service, then, solely to the extent necessary to avoid the incurrence of the adverse personal tax consequences under Section 409A, the timing of the Severance Benefits will be delayed as follows: on the earlier to occur of (i) the date that is six months and one day after Executive's Separation from Service, and (ii) the date of Executive's death (such earlier date, the "**Delayed Initial Payment Date**"), the Company will (1) pay to Executive a lump sum amount equal to the sum of the Severance Benefits that Executive would otherwise have received through the Delayed Initial Payment Date if the commencement of the payment of the Severance Benefits had not been delayed pursuant to this Section 6.8, and (2) commence paying the balance of the Severance Benefits in accordance with the applicable payment schedule set forth in Section 6.1. No interest shall be due on any amounts deferred pursuant to this Section 6.8.

6.9 Parachute Payments.

(a) Notwithstanding any other provisions of this Agreement to the contrary, in the event that it shall be determined that any payment or distribution to or for the benefit of Executive, whether paid or payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (a "**Payment**") would be nondeductible by the Company for Federal income tax purposes because of Section 280G of the Code, the Company shall reduce the aggregate present value of the Payments under this Agreement to the Reduced Amount (as defined below) if, and only if, reducing the Payments under this Agreement will provide Executive with a greater net after-tax amount than would be the case if no such reduction was made, taking into account the applicable federal, state, local and foreign income, employment and other taxes, including the excise tax imposed by Section 4999 of the Code. If a reduction in the Payments is necessary, such reduction shall occur in the following order: (1) reduction of cash payments; (2) cancellation of accelerated vesting of equity awards other than stock options; (3) cancellation of accelerated vesting of stock options; and (4) reduction of other benefits paid to Executive. Within any such category of payments and benefits (that is, clauses (1), (2), (3) or (4) of this Section 6.9(a)), a reduction shall occur first with respect to amounts that are not "deferred compensation" within the meaning of Section 409A of the Code and then with respect to amounts that are. The "**Reduced Amount**" shall be an amount expressed in present value that maximizes the aggregate present value of Payments under this Agreement without causing any Payment to be nondeductible by the Company because of Section 280G of the Code.

(b) All determinations to be made under this Section 6.9 shall be made at the Company's expense by a firm of certified public accountants of national standing selected by the Company (the "**Accounting Firm**") which may be the firm regularly auditing the financial statements of the Company. The Company and Executive shall furnish to the Accounting Firm such information and documents as the Accounting Firm may reasonably require in order to make a determination under this Section. To the extent requested by Executive, the Company shall cooperate with Executive in good faith in valuing, and the Accounting Firm shall value, services to be provided by Executive (including refraining from performing services pursuant to a covenant not to compete) before, on or after the date of the transaction which cause the application of Section 280G of the Code such that payments in respect of such services may be considered to be "reasonable compensation" within the meaning of the regulations under Section 280G of the Code. In making its determinations hereunder, the Accounting Firm shall apply reasonable, good faith interpretations regarding the applicability of Section 280G and Section

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4999, along with any other applicable portions of the Code or other tax laws. The Accounting Firm shall make all determinations required to be made under this Section and shall provide detailed supporting calculations to the Company and Executive within 30 days after the Termination Date or such earlier time as is requested by the Company, and provide an opinion to Executive that he or she has substantial authority not to report any excise tax on his or her Federal income tax return with respect to any Payments. Any such determination by the Accounting Firm shall be binding upon the Company and Executive. Subject to Sections 6.1(c) and 6.9, within five business days thereafter, the Company shall pay to or distribute to or for the benefit of Executive such amounts as are then due to Executive under this Agreement.

(c) As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Accounting Firm or the Company hereunder, it is possible that Payments, as the case may be, will have been made by the Company which should not have been made ("**Overpayment**") or that additional Payments, as the case may be, which will not have been made by the Company could have been made

("Underpayment"), in each case, consistent with the calculations required to be made hereunder. In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against Executive which the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, promptly on notice and demand Executive shall repay to the Company any such Overpayment paid or distributed by the Company to or for the benefit of Executive together with interest at the applicable Federal rate provided for in Section 7872(f)(2)(A) of the Code; provided, however, that no such amount shall be payable by Executive to the Company if and to the extent such payment would not either reduce the amount on which Executive is subject to tax under Section 1 and Section 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Company to or for the benefit of Executive together with interest at the applicable federal rate provided for in Section 7872(f)(2)(A) of the Code.

7. GENERAL PROVISIONS.

7.1 **Notices.** Any notices required hereunder to be in writing shall be deemed effectively given: (a) upon personal delivery to the Party to be notified, (b) when sent by electronic mail or confirmed facsimile if sent during normal business hours of the recipient, and if not, then on the next business day, (c) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one (1) day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications shall be sent to the Company at its primary office location and to Executive at Executive's address as listed on the Company payroll, or at such other address as the Company or Executive may designate by ten (10) days advance written notice to the other.

7.2 **Severability.** Whenever possible, each provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability will not affect any other provision or any other jurisdiction, but this Agreement will be reformed,

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construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provisions had never been contained herein.

7.3 **Survival.** Provisions of this Agreement which by their terms must survive the termination of this Agreement in order to effectuate the intent of the Parties will survive any such termination, whether by expiration of the term, termination of Executive's employment, or otherwise, for such period as may be appropriate under the circumstances.

7.4 **Waiver.** If either Party should waive any breach of any provisions of this Agreement, it shall not thereby be deemed to have waived any preceding or succeeding breach of the same or any other provision of this Agreement.

7.5 **Complete Agreement.** This Agreement constitutes the entire agreement between Executive and the Company with regard to the subject matter hereof. This Agreement is the complete, final, and exclusive embodiment of their agreement with regard to this subject matter and supersedes any prior oral discussions or written communications and agreements, including the Prior Agreement. This Agreement is entered into without reliance on any promise or representation other than those expressly contained herein, and it cannot be modified or amended except in writing signed by Executive and an authorized officer of the Company, subject to the approval of the Board, its compensation committee or (if necessary) the stockholders of the Company. The Parties have entered into a separate Confidential Information Agreement and have entered or may enter into separate agreements related to equity. These separate agreements govern other aspects of the relationship between the Parties, have or may have provisions that survive termination of Executive's employment under this Agreement, may be amended or superseded by the Parties without regard to this Agreement and are enforceable according to their terms without regard to the enforcement provision of this Agreement.

7.6 **Headings.** The headings of the sections hereof are inserted for convenience only and shall not be deemed to constitute a part hereof nor to affect the meaning thereof.

7.7 **Successors and Assigns.** The Company shall assign this Agreement and its rights and obligations hereunder in whole, but not in part, to any company or other entity with or into which the Company may hereafter merge or consolidate or to which the Company may transfer all or substantially all of its assets, if in any such case said Company or other entity shall by operation of law or expressly in writing assume all obligations of the Company hereunder as fully as if it had been originally made a Party, but may not otherwise assign this Agreement or its rights and obligations hereunder. Executive may not assign or transfer this Agreement or any rights or obligations hereunder, other than to Executive's estate upon death.

7.8 **Withholding.** All amounts payable hereunder shall be subject to applicable tax withholding.

7.9 **Choice of Law.** This Agreement in all respects shall be governed by and interpreted in accordance with the laws of the State of North Carolina, both procedural and substantive, without regard to conflicts of law, except to the extent that federal laws and regulations preempt otherwise applicable law.

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7.10 **Mandatory Mediation.** Prior to and as a condition of either Party's filing suit in state or federal court, the Parties shall engage in a mediated settlement conference in accordance with the North Carolina Superior Court Rules Implementing Statewide Mediation. The Parties shall mediate in good faith until settlement is reached or an impasse is declared by the mediator.

7.11 **Jurisdiction.** Each Party hereby irrevocably submits to the exclusive jurisdiction of the United States District Court located in Wake County, North Carolina, or any state court located within such state, in respect of any claim relating to this Agreement or Executive's employment with the Company, and hereby waives, and agrees not to assert, as a defense in any action, suit or proceeding in which any such claim is made that said Party is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Any appellate proceedings shall take place in the appropriate courts having appellate jurisdiction over the courts set forth in this Section.

7.12 **Counterparts.** This Agreement may be executed in separate counterparts, any one of which need not contain signatures of more than one Party, but all of which taken together will constitute one and the same Agreement. Facsimile signatures and signatures transmitted by PDF shall be equivalent to original signatures.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

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IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first written above.

LIQUIDIA TECHNOLOGIES, INC.

By: /s/ Neal Fowler
Name: Neal Fowler
Title: Chief Executive Officer

Executive:

/s/ Robert Lippe
Robert Lippe

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Exhibit A

CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

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CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT

THIS CONFIDENTIALITY, INVENTIONS AND NON-COMPETITION AGREEMENT (this "**Agreement**") is effective as of DATE (the "**Effective Date**") by and between NAME (hereinafter "**Employee**") and Liquidia Technologies, Inc. (the "**Company**").

STATEMENT OF PURPOSE

The Employee desires to be employed by the Company, and the Company is willing to employ Employee strictly subject to Employee's agreement to be bound by the terms of this Agreement.

IN CONSIDERATION of the Company's employment of the Employee and the compensation and other benefits that the Company may provide to Employee as an employee, the Employee, intending to be legally bound, agrees to the following:

1. For purposes of this Agreement, "**Proprietary Information**" is information (whether in written or other form or whether or not patentable or protectable by copyright, trade secret, trade dress, trademark, or the like) that: (i) has been created, invented, discovered, or developed by the Employee in connection with the Employee's employment by the Company; (ii) is non-public and has been disclosed, furnished, or communicated to the Employee in connection with the Employee's employment by the Company; or (iii) is non-public and the unauthorized disclosure of which could be detrimental to the interests of the Company. Proprietary Information includes, but is not limited to, all inventions, works of authorship, trade secrets, know how, proprietary or confidential information, including, but not limited to, research, product or business plans, products, services, projects, proposals, processes, formulas, ideas, data, compositions, technology, computer programs and related source code and object code, developments, designs, drawings, marketing information and plans, customer lists, budgets, projections, partners, cost analyses, acquisition candidates, relevant parts of analysis, reviews, compilations, studies or other records and documents, and other information owned by the Company, disclosed to the Employee, or to which the Employee has been provided access or gains access, either directly or indirectly, by any means. Proprietary Information does not include information that is or becomes generally available to the public other than as a result of a disclosure by the Employee or by any other person or entity that is under a confidentiality obligation to Company with respect to such information.

2. Nondisclosure of Proprietary Information.

2.1 The Employee acknowledges and agrees that Proprietary Information is the sole property of the Company or its designee and that the Employee shall have no right,

title, license, or interest in or to any Proprietary Information. During and after the Employee's employment by the Company, the Employee shall keep in the strictest confidence and trust all Proprietary Information and shall not directly or indirectly disclose, distribute, copy, supply, or use, in whole or in part, any Proprietary Information except as approved in advance in writing by the Company. Notwithstanding the foregoing, it is understood that, at all such times, the Employee is free (i) to use information which was known to the Employee prior to employment with the Company or which is generally known in the trade or industry through no breach of this Agreement or other act or omission by the Employee, (ii) to discuss the terms of the Employee's employment, wages and working conditions to the extent expressly protected by applicable law, (iii) to report possible violations of federal securities laws to the appropriate government enforcing agency and make such other disclosures that are expressly protected under such laws, (iv) to respond to inquiries from, or otherwise cooperate with, any governmental or regulatory investigation, or (v) to testify truthfully as compelled by lawful process or subpoena related to such testimony after the Employee has provided advance written notice of said subpoena to the Company's Chief Executive Officer and reasonably cooperates with the Company in any process to oppose said subpoena.

2.2 The Employee shall not use or disclose to the Company, or assist in the disclosure to the Company of, proprietary or confidential information belonging to any third parties, including any prior employer(s).

2.3 The Employee acknowledges and agrees that the Company has received and in the future may receive from third parties, including, but not limited to, potential collaborating partners or customers of the Company, confidential or proprietary information ("**Third Party Information**") subject to a duty on the Company's part to maintain the confidentiality of such information and to use it only for certain limited purposes. During the term of the Employee's employment with the Company and thereafter, the Employee will hold Third Party Information in the strictest confidence and will not disclose to anyone (other than Company personnel or the Company's designee who need to know such information in connection with their work for the Company or such third party) or use Third Party Information, except in connection with the Employee's work for the Company or such third party, unless expressly approved in advance in writing by the Company. The Employee further agrees to be bound by and subject to any confidentiality or nondisclosure agreements or clauses with respect to such Third Party Information between the Company and any such third party.

2.4 Pursuant to the Defend Trade Secrets Act of 2016, the Employee acknowledges that the Employee will not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (a) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (b) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if the Employee files a lawsuit for retaliation by the Company for reporting a suspected violation of law, the Employee may

disclose the trade secret to the Employee's attorney and may use the trade secret information in the court proceeding, if the Employee (x) files any document containing the trade secret under seal and (y) does not disclose the trade secret, except pursuant to court order.

3. Upon the earliest to occur of (i) termination of the Employee's employment by the Company for any reason, (ii) termination of the Employee's access to Proprietary Information, or (iii) the request of the Company, the Employee shall return to the Company (and will not keep in Employee's possession or control or deliver to anyone else) all materials belonging to the Company, whether kept at the Employee's business office, personal residence or otherwise, including, but not limited to, all materials containing or relating to any Proprietary Information in any written, tangible, electronic or other form that the Employee may have in Employee's possession or control, and any and all mobile telephones, personal digital assistants, pagers, computer and other electronic devices and credit cards. After returning the materials and equipment described in the preceding sentence to the Company, the Employee shall not retain any copies of any such materials.

4. Ownership of Proprietary Information.

4.1 All Proprietary Information and other information, which by its nature is proprietary to the Company, relating to the Company's business or the Company's anticipated business, or based on, derived from or relating to any Proprietary Information (collectively, Proprietary Information and "**Work Product**") shall be the sole property of the Company. The Employee agrees that all Proprietary Information and Work Product created, conceived, reduced to practice, made or otherwise developed by the Employee, solely or jointly, during and in any way related to the Employee's employment, shall be the exclusive property of the Company and/or its designees or assignees, and shall be deemed "works made for hire," as that term is defined in Section 101 of the U.S. Copyright Act of 1976, as amended.

4.2 If, for any reason, any Proprietary Information and Work Product does not qualify as works made for hire, the Employee shall assign and does hereby irrevocably, unconditionally, and without encumbrance of any kind assign to the Company, and forever waives and agrees never to assert, all right, title, and interest, including without limitation, all patent, trademark, copyright, trade secret, and other intellectual property (collectively, "**Intellectual Property**") rights, in and to such Proprietary Information and Work Product. The Employee shall assist the Company, or its designee, in every proper way to secure the Company's rights in the Proprietary Information and Work Product and any Intellectual Property rights relating thereto in any and all countries, including (i) the disclosure to the Company of all pertinent information and data with respect thereto, (ii) the execution of all applications, specifications, oaths, assignments and all other instruments which the Company shall deem necessary in order to apply for and obtain such rights and in order to assign and convey to the Company or its designee the sole and exclusive right, title and interest in and to the Proprietary Information and Work Product, and (iii) the defense of any claim, demand, action, litigation, suit, or other proceeding,

including, but not limited to, interference, cancellation, opposition, or other proceedings in respect of such applications or any registrations or patents issuing therefrom. The Employee shall continue such assistance after the termination of the Employee's employment by the Company.

4.3 During the Employee's employment by the Company, the Employee shall report promptly to the Company all Proprietary Information and Work Product created, conceived, reduced to practice, or otherwise developed by the Employee, solely or jointly.

4.4 If the Company is unable because of the Employee's mental or physical incapacity or for any other reason to secure the Employee's signature to apply for or to secure protection of any Proprietary Information and Work Product, then the Employee hereby designates and appoints the Company and its duly authorized officers and agents as its agents and attorneys-in-fact to execute and file any certificates, applications or documents and to do all of their lawful acts necessary to perfect and protect the Company's rights in the Proprietary Information and Work Product. The Employee expressly acknowledges that the foregoing power of attorney is coupled with an interest and is therefore irrevocable and shall survive the Employee's death or incompetency and the termination of the Employee's employment or engagement by the Company.

4.5 The Employee hereby represents and warrants that the Employee has fully disclosed to the Company on Schedule A attached hereto any idea, invention, discovery or process relating to the Company's business which, prior to the Employee's employment with the Company, the Employee conceived, reduced to practice, or developed, individually or jointly, and is to be excluded from the scope of this Agreement.

4.6 Notwithstanding anything in this Agreement to the contrary, the obligation of the Employee to assign or offer to assign the Employee's rights in an invention to the Company shall not extend or apply to an invention that the undersigned developed (i) entirely on the Employee's own time; (ii) without using Company equipment, supplies, facilities, or other resources, Proprietary Information or trade secret information unless such invention (a) relates to the Company's business or actual or demonstrably anticipated research or development, or (b) results from any work performed by the Employee for the Company. The Employee shall bear the burden of proof in establishing that the Employee's invention qualifies for exclusion under this Section 4.6.

5. Covenant Not To Compete.

5.1 For purposes of Part 5 of this Agreement, including each of its subparts, the following terms shall have the following meanings:

a. "**Competing Business**" shall mean any corporation, partnership, person, or other entity that is researching, developing, manufacturing, marketing, distributing, or selling any product, service, or technology that is competitive with any part of the Company's Business.

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b. The "**Company's Business**" shall mean the development, manufacture, marketing, distribution, or sale of, including research directed to, any product, service, or technology that the Company is developing, manufacturing, marketing, distributing, or selling or to which the Company directed research at any time during Employee's employment with the Company. As of the date of this Agreement, the Company's Business includes, but is not limited to, research directed to and the development, manufacture, marketing, distribution, and/or sale of: (i) isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled pharmaceutical or therapeutic particles fabricated from a mold; (ii) size and/or shape controllable pharmaceutical or therapeutic particles molded using a polymer or low surface energy mold; (iii) film based products of or containing arrays of size and/or shape controlled structures molded from a low surface energy mold; (iv) isolated nano or micro size and/or shape controlled particles fabricated from a mold, including products of or containing the isolated size and/or shape controlled particles fabricated from a mold; (v) nano or micro size and/or shape controllable particles molded using a polymer or low surface energy mold; or (vi) patterned drum fabrication and mold for manufacturing the products of (i)-(v) above. The Employee understands that during the Employee's employment with the Company, the Company's Business may expand or change, and the Employee agrees that any such expansions or changes shall expand or contract the definition of the Company's Business and the Employee's obligations under this Agreement accordingly.

c. "**Territory**" shall mean the following severable geographic areas: (i) the world, (ii) any country in which the Company or a Competing Business is engaged in business, (iii) any country in which the Company is engaged in business, (iv) the United States, Europe, and Asia, (v) the United States, (vi) any state, including the District of Columbia, in which the Company or a Competing Business is engaged in business, (vii) any state, including the District of Columbia, in which the Company is engaged in business, (viii) North Carolina, (ix) a one hundred mile radius of the Employee's principal place of employment or work for the Company, or (x) a one hundred mile radius of the Company's corporate headquarters.

5.2 It is recognized and understood by the Employee that, through the Employee's association with the Company, the Employee shall: (i) have access to trade secrets and confidential information of the Company, including, but not limited to, valuable information about its intellectual property, business operations and methods, and the persons with which it does business in various locations throughout the world, that is not generally known to or readily ascertainable by the Company's competitors, (ii) develop relationships with the Company's customers and others with which the Company does business, and these relationships are among the Company's most important assets, (iii) receive specialized knowledge of and specialized training in the Company's Business, and (iv) gain such knowledge of the Company's Business that, during the course of the Employee's employment with the Company and for a period of one year following the termination thereof, the Employee could not perform services for a Competing Business

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without inevitably disclosing the Company's trade secrets and Proprietary Information to that Competing Business.

5.3 While employed by the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise) for any Competing Business, (ii) engage in any activities (or assist others to engage in any activities) that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing or prospective customers, suppliers, business partners, or contractors of the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (v) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company.

5.4 For a period of one year following the termination of the Employee's employment with the Company, the Employee will not, without the express written consent of an authorized representative of the Company: (i) perform services (as an employee, independent contractor, officer, director, or otherwise), within the Territory for any Competing Business, that are the same or substantially similar to any services that the Employee performed for the Company or that otherwise utilize skills, knowledge, and/or business contacts and/or relationships that the Employee developed while providing services to

the Company, (ii) engage in any activities (or assist others to engage in any activities) within the Territory that compete with the Company's Business, (iii) own or beneficially own an equity interest in a Competing Business, (iv) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or any prospective customers to whom the Company has made a written proposal ("Prospective Customers"), suppliers, business partners, or contractors of the Company, during the last year of the Employee's employment with the Company, to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, (v) request, induce, or solicit (or assist others to request, induce, or solicit) any existing customer or Prospective Customers, suppliers, business partners, or contractors of the Company with which the Employee worked or had business contact during the last year of the Employee's employment with the Company to curtail or cancel their business with the Company or to do business within the scope of the Company's Business with a Competing Business, or (vi) request, induce, or solicit (or assist others to request, induce, or solicit) any employee of the Company to terminate his or her employment with the Company. Where a Competing Business is a large enterprise with separately operated business units, the restrictions in Section 5.4(i) shall not apply to any such business unit that has no involvement in the research, development, manufacture, marketing, distribution, or sale of a product, service, or technology that is competitive with any part of the Company's Business; *provided, however*, that this sentence does not apply to any employees in a scientific role or whose role involves the research, development or maintenance of the Company's trade secrets. These obligations will continue for the specified period regardless of whether the termination of the Employee's

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employment was voluntary or involuntary or with or without cause, and the specified period shall be tolled and shall not run during any time in which the Employee fails to abide by this obligations.

5.5 The Employee shall not at any time following the termination of the Employee's employment with the Company use the name or trading style of the Company in any country, or use in any country any name or trading style which is the same as or similar to any of the trade or service marks of the Company or any brand name or proposed brand name of any of the Company's products or proposed products, or represent himself or herself as carrying on or continuing or being connected with the Company or its business for any purpose whatsoever unless otherwise agreed by the Company in writing.

5.6 While employed by the Company, the Employee shall disclose to the audit committee of the Company the Employee's interest in respect of any contract or arrangement in which the Employee has any personal material interest, directly or indirectly, or any conflicts of interest (including the conflict of interest that may arise from the Employee's directorship(s) or executive position or personal investments in any corporation(s)) that may involve the Employee. Upon such disclosure, the Employee shall abstain from voting in respect of any such contract, arrangement, proposal, transaction, or matter in which the conflict of interest arises, unless and until the audit committee has determined that no such conflict of interest exists.

5.7 As an exception to the restrictions set forth in Parts 5.3 and 5.4 herein, the Employee may own passive investments in a Competing Businesses, (including, but not limited to, indirect investments through mutual funds), provided that the securities of the Competing Business are publicly traded and the Employee does not own or control more than two percent of the outstanding voting rights or equity of the Competing Business.

5.8 In the event that a court determines that the length of time, the geographic area, or the activities prohibited under this Agreement are too restrictive to be enforceable, the Court may reduce the scope of the restriction to the extent necessary to make the restriction enforceable.

5.9 The market for the Company's services and the Company's Business is highly specialized and highly competitive such that other companies and business entities compete with the Company in various locations throughout the world. The provisions set forth in this Agreement: (i) are reasonably necessary to protect the Company's legitimate business interests, (ii) are reasonable as to the time, territory, and scope of activities that are restricted, (iii) do not interfere with the Employee's ability to earn a comparable living or secure employment in the field of the Employee's choice, (iv) do not interfere and are not inconsistent with public policy or the public interest, and (v) are described with sufficient accuracy and definiteness to enable the Employee to understand the scope of the restrictions on the Employee.

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5.10 Because of the unique nature of the Proprietary Information, the Employee understands and agrees that the Company will suffer irreparable harm in the event that the Employee fails to comply with any of the Employee's obligations under this Agreement and that monetary damages will be inadequate to compensate the Company for such breach. Accordingly, the Employee agrees that the Company will, in addition to any other remedies available to it at law or in equity, be entitled to injunctive relief to enforce the terms of this Agreement.

6. The Employee hereby authorizes the Company to provide a copy of this Agreement, including any exhibits hereto, to any and all of the Employee's future employers and to notify any and all such future employers that the Company intends to exercise its legal rights arising out of or in connection with this Agreement and/or any breach or any inducement of a breach hereof.

7. The Employee agrees that, during the term of the Employee's employment with the Company, the Employee will not: (i) engage in any other employment, occupation, consulting, or other business activity that conflicts with the Employee's obligations to the Company, or (ii) engage in any other activities that conflict with the Employee's obligations to the Company.

8. Debarment Certification

8.1 The Employee represents and promises that Employee:

- (a) is not presently, and during the Employee's employment will not be, debarred or convicted for a crime for which Employee can be debarred under the Generic Drug Enforcement Act of 1992 (21USC335a)(the "**Act**"); and
- (b) is not presently, and during the Employee's employment will not be, indicted or otherwise criminally or civilly charged by a government entity (Federal or State) with commission of the kinds of conduct for which Employee can be debarred under the Act; and
- (c) will not employ or otherwise engage any individual who has been (i) debarred or (ii) convicted of a crime for which a person can be debarred under the Act, in any capacity in connection with the activities of developing or reporting data which may become part of an application for approval of a drug or biologic.

8.2 The Employee promises that, during the Employee's employment with the Company, the Employee will promptly notify the Company upon learning of or having a belief that the Employee cannot satisfy the obligations of Section 8.1 above.

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9. The Employee agrees that this Agreement shall be enforced, construed and interpreted under the law of the state of North Carolina, without regard to the conflicts of laws principles thereof. The state and federal courts in North Carolina shall be the exclusive venues for the adjudication of all disputes arising out of this Agreement, and the Employee consents to the exercise of personal jurisdiction over the Employee in any such adjudication and hereby waives any and all objections and defenses to the exercise of such personal jurisdiction.

10. The Employee agrees that: (i) the Employee's employment relationship with the Company is "at-will," which means that either the Employee or the Company can terminate the relationship at any time for any reason or no reason, with or without notice, unless the Employee and the Company are parties to a contract that expressly provides a fixed term of employment, (ii) the Employee's employment relationship with the Company is contingent upon the Employee's execution of this Agreement, which is a material inducement to the Company to offer the employment relationship to the Employee and to provide Proprietary Information to the Employee, and (iii) this Agreement shall survive any termination for any reason whatsoever of the Employee's employment relationship with the Company.

11. The Employee agrees that the Company's failure to insist upon strict compliance with any provision of this Agreement shall not be deemed a waiver of such provision or of any other provision in the Agreement. The provisions of this Agreement shall be enforceable, notwithstanding the existence of any breach of this Agreement by the Company or of any claim by the Employee against the Company, whether predicated on this Agreement or otherwise.

12. This Agreement contains the entire understanding between the parties with respect to the subject matter hereof and supersedes all prior or contemporary agreements or understandings, whether written or oral, with respect thereto, provided, however, prior to the execution of this Agreement, if Company and the Employee were parties to any agreement regarding the subject matter hereof, that agreement will be superseded by this Agreement prospectively only. This Agreement may not be modified or amended except by an agreement in writing signed by both parties.

13. The Employee agrees that this Agreement is assignable by the Company at the Company's discretion and the Employee authorizes the Company's successors and assigns to enforce this Agreement for their respective benefits.

14. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

15. The Employee agrees that a breach of any provision(s) of this Agreement will toll the running of the limitation period with respect to such provision(s) for as long as such breach occurs.

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16. The Employee agrees and acknowledges that the Company's agreement to employ the Employee, in and of itself, is sufficient and adequate consideration for the Employee's promises and obligations hereunder, and that the compensation and other benefits that the Company provides the Employee during the course of the Employee's employment are, independently and collectively, sufficient and adequate consideration for the Employee's promises and obligations hereunder.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the Employee has executed this Agreement to be effective as of the date set forth above.

LIQUIDIA TECHNOLOGIES, INC.

By: _____ (s)
Name:
Title:

NAME

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SCHEDULE A

The following items are inventions, ideas, computer software programs or other equipment or technology not covered by Section 4 of this Agreement, which the undersigned conceived of or developed, wholly or in part, prior to the Employee's employment or engagement with the Company and shall be excluded from the scope of this Agreement.

If the undersigned has no such items to disclose, write "NONE" on this line: .

Description of Items: (if applicable)

Title on Document

Date on Document

Name of Witness

LIQUIDIA TECHNOLOGIES, INC.

By: _____

NAME _____

Dated: _____

Dated: _____

Liquidia Technologies, Inc.
Executive Severance and Change in Control Plan

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ARTICLE I
Statement of Purpose and Effective Date

1.01 Purpose. Liquidia Technologies, Inc., a Delaware corporation (the “Company”), hereby establishes the Liquidia Technologies Executive Severance and Change in Control Plan (the “Plan”). The Plan is intended to encourage and motivate key employees to devote their full attention to the

performance of their assigned duties without the distraction or concerns regarding their involuntary termination of employment. The Company believes that it is in the best interests of the shareholders of the Company to provide financial assistance through severance payments and other benefits to eligible key employees who are involuntarily terminated. With respect to each Participant, the Plan supersedes all plans, agreements, or other arrangements for severance benefits or for enhanced severance payments whether or not before, on or after a change in control, except as specifically provided herein. To the extent the Plan provides deferred compensation it is an unfunded plan primarily for the purposes of providing deferred compensation for a select group of management or highly compensated employees.

1.02 Effective Date. The Compensation Committee of the Board of Directors of the Company approved the Plan on March 3, 2017 and the Plan shall become effective as of the date the Company's common stock is listed on a national securities exchange or an established securities market (such date, the "Effective Date").

ARTICLE II

Definitions

When used in this Plan, the terms specified below have the following meanings:

2.01 "Accrued Annual Incentive" means the amount of any annual incentive earned in a year ended before the Termination Date, but not yet paid to a Participant as of the Termination Date, other than amounts that he or she has elected to defer or that have been automatically deferred.

2.02 "Accrued Base Salary" means the amount of a Participant's Base Salary that is accrued but unpaid as of the Termination Date, other than amounts that he or she has elected to defer.

2.03 "Accrued Obligations" means, as of any date, the sum of a Participant's Accrued Base Salary, Accrued Annual Incentive, any accrued but unpaid vacation pay, unreimbursed expenses for which proper documentation is provided, and any other vested amounts and benefits that are to be paid or provided to the Participant by the Company under the Company's plans (other than this Plan and other than any Section 409A Deferred Compensation), but which have not yet been paid or provided (as applicable).

2.04 "Affiliate" means any person with whom the Company would be considered a single employer under Sections 414(b) and 414(c) of the Code and Treas. Reg. § 1.409A-3(i)(5)(ii), except that in applying Sections 1563(a)(1), (2), and (3) of the Code for purposes of determining a controlled group of corporations under Section 414(b) of the Code; the language "at least 50 percent" shall be used instead of "at least 80 percent" in each place it appears in Sections 1563(a)(1), (2), and (3) of the Code, and in applying Treas. Reg. § 1.414(c)-(2) for purposes of determining a controlled group of trades or businesses under Section 414(c) of the Code, the language "at least 50 percent" shall be used instead of "at least 80 percent" in each place it appears in Treas. Reg. § 1.414(c)-(2). Notwithstanding the foregoing, where justified by legitimate business criteria as determined by the Committee in its sole discretion, "at least 20 percent" shall be substituted for "at least 50 percent" in the preceding sentence in determining whether a Participant has a Termination of Employment.

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2.05 "Award Agreement" means a written agreement between the Company and the Participant setting forth the terms and conditions of a stock-based award granted to the Participant under any of the Company's stock incentive plans, now or hereafter existing.

2.06 "Base Salary" means an Employee's monthly rate of salary as of any date.

2.07 "Board" means the Board of Directors of the Company or, from and after a Change in Control that gives rise to a surviving corporation to the Company, the Board of Directors of such surviving corporation.

2.08 "Cause" means any one or more of the following, as determined by the Committee or its delegate in its sole discretion:

- (a) any act or omission by a Participant which, if convicted by a court of law, would constitute a felony or a crime of moral turpitude;
- (b) a Participant's dishonesty or material violation of standards of integrity in the course of fulfilling his or her employment duties to the Company or any Affiliate;
- (c) insubordination or a material violation of a material written policy of the Company or any Affiliate, violation of which would be grounds for dismissal under applicable Company policy;
- (d) willful, repeated failure on the part of the Participant to perform his or her employment duties (provided that such duties are ethical and proper under applicable law) in any material respect, after reasonable written notice of such failure and an opportunity to correct it under a circumstance where the conduct constituting "Cause" is reasonably open to a cure (for instance, where the conduct does not involve a violation of trust or otherwise adversely affect the relationship between the Employee and the Employer on a going-forward basis), and the period to correct shall be established by the Committee;
- (e) any act or omission materially adverse to the interest of the Company or any Affiliate, or reasonably likely to result in material harm to the Company or any Affiliate;
- (f) failure to comply in any material respect with any Company policy, code of conduct, ethics or insider trading policy; or
- (g) failure to comply in any material respect with the Foreign Corrupt Practices Act, the Securities Act of 1933, the Securities Exchange Act of 1934, the Sarbanes-Oxley Act of 2002, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or any rules or regulations thereunder, or any similar, applicable statute, regulation or legal requirement.

2.09 "Change Date" means the first date on which a Change in Control occurs before the termination of the Plan.

2.10 “Change in Control” means the first of the following to occur: (i) a Change in Ownership of Liquidia Technologies, (ii) a Change in Effective Control of Liquidia Technologies, or (iii) a Change in the Ownership of Assets of Liquidia Technologies, as described herein and construed in accordance with Code section 409A.

(a) A “Change in Ownership of Liquidia Technologies” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire, ownership of the capital stock of Liquidia Technologies that, together with the stock held by such Person or Group, constitutes more than 50% of the total fair market value or total voting power of the capital stock of Liquidia Technologies. However, if any one Person is, or Persons Acting as a Group are, considered to own more than 50%, on a fully diluted basis, of the total fair market

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value or total voting power of the capital stock of Liquidia Technologies, the acquisition of additional stock by the same Person or Persons Acting as a Group is not considered to cause a Change in Ownership of Liquidia Technologies or to cause a Change in Effective Control of Liquidia Technologies (as described below). An increase in the percentage of capital stock owned by any one Person, or Persons Acting as a Group, as a result of a transaction in which Liquidia Technologies acquires its stock in exchange for property will be treated as an acquisition of stock.

(b) A “Change in Effective Control of Liquidia Technologies” shall occur on the date either (A) a majority of members of Liquidia Technologies’ Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of Liquidia Technologies’ Board before the date of the appointment or election, or (B) any one Person, or Persons Acting as a Group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) ownership of stock of Liquidia Technologies possessing 50% or more of the total voting power of the stock of Liquidia Technologies.

(c) A “Change in the Ownership of Assets of Liquidia Technologies” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire (or has or have acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons), assets from Liquidia Technologies that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of Liquidia Technologies immediately before such acquisition or acquisitions. For this purpose, gross fair market value means the value of the assets of Liquidia Technologies, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

The following rules of construction apply in interpreting the definition of Change in Control:

(i) A “Person” means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than employee benefit plans sponsored or maintained by Liquidia Technologies and by entities controlled by Liquidia Technologies or an underwriter, initial purchaser or placement agent temporarily holding the capital stock of Liquidia Technologies pursuant to a registered public offering.

(ii) Persons will be considered to be Persons Acting as a Group (or Group) if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the corporation. If a Person owns stock in both corporations that enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a Group with other shareholders only with respect to the ownership in that corporation before the transaction giving rise to the change and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a Group solely because they purchase assets of the same corporation at the same time or purchase or own stock of the same corporation at the same time, or as a result of the same public offering.

(iii) A Change in Control shall not include a transfer to a related person as described in Code section 409A or a public offering of capital stock of Liquidia Technologies.

(iv) For purposes of the definition of Change in Control, Section 318(a) of the Code applies to determine stock ownership. Stock underlying a vested option is considered owned by the individual who holds the vested option (and the stock underlying an unvested option is not considered owned by the individual who holds the unvested option). For purposes of the preceding sentence, however, if a vested option is

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exercisable for stock that is not substantially vested (as defined by Treasury Regulation §1.83-3(b) and (j)), the stock underlying the option is not treated as owned by the individual who holds the option.

2.11 “Code” means the Internal Revenue Code of 1986, as amended. Reference to any provision of the Code or regulation thereunder, shall include any successor provision and any regulations and other applicable guidance or pronouncement of the Internal Revenue Service or the Department of the Treasury, and applicable case law relating to such Section of the Code.

2.12 “Committee” means the Compensation Committee of the Board. To the extent the Committee has delegated authority to another person or persons the term “Committee” shall refer to such other person or persons.

2.13 “Company” means Liquidia Technologies, Inc. and any successor thereto.

2.14 “Disability” means (i) the Employee is determined to be totally and permanently disabled under any group long-term disability plan in which the Employee participates that is maintained by the Company or the Employee’s Employer and in effect at that time, to the extent not inconsistent with applicable law, or (ii) the inability of the Employee, due to any medically determinable physical or mental impairment, to perform the essential functions of his or her job, with or without a reasonable accommodation, for (x) 120 days during any one employment year irrespective of whether such days are consecutive, or (y) such longer period, if any, that is available to the Employee under applicable law or Policies relating to the continuation of employee status after the onset of disability. In the event of any dispute under this Section, the Employee shall submit to a physical examination by a licensed physician mutually satisfactory to the Company and the Employee, the cost of such examination to be paid by the Company, and the determination of such physician shall be determinative.

2.15 **“Effective Date”** is defined in Section 1.02.

2.16 **“Employee”** means an individual who is designated as an employee of an Employer on the records of such Employer.

2.17 **“Employer”** means the Company and an Affiliate any of whose Employees are Participants in the Plan. The term “Employer” includes any successor to the Company or an Employer.

2.18 **“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended. Reference to any provision of ERISA shall also include any successor provision and regulations and others applicable guidance or pronouncement of a federal regulatory agency and applicable case law relating to such Section of ERISA.

2.19 **“Exchange Act”** means the Securities Exchange Act of 1934, as amended.

2.20 **“Good Reason “** means, prior to or absent the occurrence of a Change in Control, a greater than 20% reduction in any of the Participant’s base salary, target short-term cash incentive opportunity or value of regular annual long-term target incentive opportunity, the latter as determined by a third-party compensation consulting or accounting firm chosen by the Company and using generally accepted methodologies which may include annualizing prior year long-term incentive grants over more than one year and ignoring prior special retention or sign-on grants, other than a broad-based compensation reduction imposed across-the-board on executives at the vice president or higher level within the Company, and means, after the Change Date, any one or more of the following actions or omissions occurring during the Post-Change Period without the Participant’s consent:

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- (i) a material reduction in the Participant’s base salary or short-term/annual target cash incentive opportunity;
 - (ii) requiring the Participant to be principally based at any office or location, without the Participant’s consent, more than 50 miles from the Participant’s then-current principal location and also farther from the Participant’s residence than the Participant’s then-current principal office or location;
 - (iii) any material diminution in the Participant’s authority, duties or responsibilities, but excluding a mere change in reporting relationship or title; or
 - (iv) any material breach of this Plan by any Employer or the Committee;

provided that, in order for there to be a Termination of Employment by a Participant for Good Reason, the Participant must notify the Participant’s Employer of the event constituting such Good Reason within 90 days of the occurrence of such event, by a Notice of Termination. The Employer must have failed to cure the event constituting Good Reason within 30 days following receipt of the Notice of Termination and the Participant must terminate employment within five days after the lapse of the cure period if no cure is effected. A delay in the delivery of such Notice of Termination or in the Termination of Employment after the lapse of the cure period shall waive the right of the Participant under this Plan to terminate employment for Good Reason. For the avoidance of doubt, no material diminution of authority, duties or responsibilities shall be deemed to occur solely because the Company becomes a subsidiary of another corporation if the Participant’s authority, duties and responsibilities to the Company or his Employer remain materially undiminished.

2.21 **“Healthcare Assistance Multiple”** means:

- (a) 6X for a Termination Date occurring before or absent a Change Date, and
- (b) 9X for a Termination Date occurring during the Post-Change Period.

2.22 **“Including”** means including without limitation.

2.23 **“Involuntary Termination”** means the Termination of Employment of a Participant (a) initiated by the Employer other than for Cause or Disability, and (b) for a reason other than death. A Termination of Employment initiated by the Participant for Good Reason shall also be an Involuntary Termination. For the avoidance of doubt, a Participant shall not have an Involuntary Termination of Employment if he or she (i) voluntarily resigns; (ii) voluntarily Retires; or (iii) has a Termination of Employment because of death, for Cause, or Disability.

2.24 **“Notice of Termination”** means a written notice given in accordance with Section 10.03 that sets forth (i) the specific termination provision in this Plan relied on by the party giving such notice, (ii) in reasonable detail the circumstances claimed to provide a basis for such Termination of Employment, and (iii) if the Termination Date is other than the date of receipt of such Notice of Termination (and is not determined under Section 2.35(a), (b), or (c)), the Termination Date.

2.25 **“Participant”** means an Employee who is selected by the Committee to participate in the Plan.

2.26 **“Plan”** means this Liquidia Technologies Executive Severance and Change in Control Plan as set forth herein and as from time to time amended.

2.27 **“Plans”** means plans, programs, or Policies of the Company or the Employer that employs a Participant.

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2.28 **“Policies”** means policies, practices or procedures of the Company or the Employer that employs a Participant.

2.29 **“Post-Change Period”** means the period beginning on the Change Date and ending on the second anniversary of the Change Date.

2.30 “Pro-rata Annual Incentive” means, in respect of an Employer’s fiscal year during which the Termination Date occurs, an amount equal to the product of (a) (i) in the case of a Termination Date before the Change Date, the actual annual incentive the Participant would have been paid if he or she remained employed on the payment date applicable to then-current employees based on actual performance, and (ii) in the case of a Termination Date on or after the Change Date, the Participant’s Target Annual Incentive (determined as of the Termination Date) multiplied by (b) a fraction, the numerator of which equals the number of days from and including the first day of such fiscal year through and including the Termination Date, and the denominator of which equals 365.

2.31 “Retire” or “Retirement” means a voluntary Termination of Employment after attaining age 65 (or such other age at which the Company or Employer permits early retirement).

2.32 “Section 409A Deferred Compensation” means a deferral of compensation that is subject to (and not otherwise exempt from) the requirements of Section 409A of the Code.

2.33 “Severance Multiple” means:

- (a) 6X for a Termination Date occurring before or absent a Change Date,
- (b) 9X for a Termination Date occurring during the Post-Change Period.

2.34 “Target Annual Incentive”, as of any date, means the amount equal to the product of a Participant’s Base Salary multiplied by the percentage of such Base Salary to which such Participant would be entitled as an annual incentive, based on the terms in effect on such date under any annual incentive plans for the performance period for which the annual incentive is awarded if the performance goals established pursuant to such bonus plan were achieved at the 100% (target) level as of the end of the performance period, but disregarding any reduction in Target Annual Incentive that would constitute Good Reason.

2.35 “Termination Date” means the date of the receipt of the Notice of Termination by a Participant (if such Notice of Termination is given by the Company or the Participant’s Employer) or by the Participant’s Employer (if such Notice is given by the Participant), or any later date specified in the Notice of Termination but not more than 35 days after the giving of such Notice if the Notice of Termination is given by the Participant for Good Reason and not more than 15 days after the giving of such Notice of Termination in all other cases, on which an Employee has a Termination of Employment; provided, however, that:

- (a) if the Participant’s employment is terminated by reason of death, the Termination Date shall be the date of the Participant’s death;
- (b) if the Participant’s employment is terminated by reason of Disability, the Termination Date shall be the date assigned by the Company’s Human Resource function;
- (c) if no Notice of Termination is given, the Termination Date shall be the last date on which the Participant is at work; and

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(d) if the Notice of Termination is for a Termination by the Participant for Good Reason, the Termination Date shall be the 35th day after the giving of the Notice of Termination if the Employer has not cured the Good Reason.

2.36 “Termination of Employment” means in respect of a Participant, a termination of employment as determined by the Committee; provided, however, that with respect to payment of any Section 409A Deferred Compensation, “Termination of Employment” shall mean “separation from service” within the meaning of Section 409A of the Code.

ARTICLE III Participation and Eligibility for Benefits

3.01 Eligibility.

(a) Generally, Employees holding a position of vice president or a more senior position with the Company or an Affiliate are eligible to be selected by the Committee to participate in the Plan, subject to each such Employee fulfilling the requirements to participate as provided in Section 3.02. The Committee in its discretion also may designate selected Employees with a position below the vice president level to be eligible to participate in this Plan.

(b) Notwithstanding subsection (a), any individual who is (i) a party to an agreement (“Employment Agreement”) between the individual and an Employer that provides for payments upon Termination of Employment (either before or after a Change in Control) or (ii) entitled to Section 409A Deferred Compensation paid in installments as severance after a separation from service pursuant to a broad-based severance plan; shall not be eligible to become a Participant in this Plan.

3.02 Participation. Except as provided in Section 3.01(b), each eligible Employee shall become a Participant in the Plan on the first date (not earlier than the Effective Date) on which he or she has been designated by the Committee as an Employee who is eligible to participate and he or she has delivered to the Company, within such timeframe as may be specified by the Committee, a signed Participation Agreement in substantially the form attached hereto as Appendix A.

3.03 Eligibility for Benefits. A Participant becomes eligible for benefits under the Plan if, prior to or absent a Change Date or during the Post-Change Period, the Participant has an Involuntary Termination or a Termination of Employment for Good Reason. For the avoidance of doubt, a Termination of Employment for Good Reason will be treated as having occurred during the Post-Change Period, notwithstanding the fact that actual separation from service occurs after the Post-Change Period has expired, if the Good Reason arises during the Post-Change Period, the Participant timely provides a Notice of Termination within 90 days of the occurrence of the event giving rise to such Good Reason, the Employer fails to cure the event constituting Good Reason within 30 days following receipt of the Notice of Termination and the Participant terminates employment within five days after the lapse of the cure period.

ARTICLE IV
Obligations of the Employer Upon Involuntary Termination
Prior to or Absent a Change Date

4.01 Involuntary Termination. If a Participant has an Involuntary Termination, then unless Article V applies, the Employer's sole obligations to such Participant under the Plan shall be as follows:

(a) The Employer shall pay the Participant the following:

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(i) all Accrued Obligations in a single lump sum payment within 15 days after the Termination Date or such earlier date as required by applicable law; and

(ii) subject to Section 9.01, an amount equal to the Base Salary determined as of the Termination Date, multiplied by the applicable Severance Multiple (the "Severance Payment"). The Severance Payment shall be paid in a single lump sum payment. The Severance Payment shall be made no more than 60 days after the Termination of Employment, provided the applicable revocation period for the release required by Section 9.01 has expired at that time, and subject to Section 10.11(c) and Section 10.11(e); and

(iii) an amount equal to the bonus (if any) that the Participant would have earned pursuant to an annual incentive plan with respect to any full performance period through which the Participant continued to provide services, notwithstanding any applicable employment requirement set forth therein, which shall be paid at the same time and in the same manner that bonus awards are paid to other participants in such annual incentive plan.

(b) The Employer shall provide for post-Termination of Employment nonqualified deferred compensation benefits, equity awards, and employee welfare benefits pursuant to the terms of the respective Plans and Policies under which such post-Termination of Employment benefits, awards and welfare benefits, if any, are provided, except as provided in (c) below.

(c) Subject to Section 9.01, if as of the Termination Date the Participant is participating in the Company's or the Employer's healthcare plan with respect to medical, vision, prescription and/or dental coverage and, as a result of the Termination of Employment, will be eligible for post-termination continuation coverage under Section 4980B of the Code ("COBRA"), then the Employer shall pay to the Participant, in a lump sum payment (the "Healthcare Assistance Payment"), an amount equal to (i) the excess of the monthly premium rate for such COBRA coverage for the Participant and his or her eligible dependents (measured as of the Termination of Employment) over the monthly premium rate payable by active employees (i.e., the non-Employer paid portion) for similar employer-provided coverage (measured as of the Termination of Employment), multiplied by (ii) the applicable Healthcare Assistance Multiple. The Healthcare Assistance Payment shall be made no more than 60 days after the Termination of Employment, provided the applicable revocation period for the release required by Section 9.01 has expired at that time, and subject to Section 10.11(c) and Section 10.11(e).

4.02 Termination for Any Other Reason. If a Participant has a Termination of Employment for any reason other than as described in Section 4.01 (including termination by the Employer for Cause, termination by the Employee other than for Good Reason, termination by the Employer or the Employee for Disability, Retirement, or termination on account of death), then unless Article V applies, the Employer's sole obligations to such Participant under the Plan shall be to pay the Participant all Accrued Obligations determined as of the Termination Date.

ARTICLE V
Obligations of the Employer on Involuntary Termination
in the Post-Change Period

5.01 Application. If a Participant has an Involuntary Termination during the Post-Change Period a Participant shall be entitled to benefits under this Article V in lieu of, and not in addition to, benefits under Article IV. For the avoidance of doubt, a Termination of Employment for Good Reason will be treated as having occurred during the Post-Change Period, notwithstanding the fact that actual separation from service occurs after the Post-Change Period has expired, if the Good Reason arises during the Post-Change Period, the Participant timely provides a Notice of Termination within 90 days of the occurrence of the event giving rise to such Good Reason,

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the Employer fails to cure the event constituting Good Reason within 30 days following receipt of the Notice of Termination and the Participant terminates employment within five days after the lapse of the cure period.

5.02 Involuntary Termination in the Post-Change Period. If a Participant has an Involuntary Termination during the Post-Change Period for which a Notice of Termination is timely given, then the Employer's sole obligations to such Participant under the Plan shall be as follows:

(a) The Employer shall pay the Participant the following:

(i) all Accrued Obligations in a single lump sum payment within 15 days after the Termination Date;

(ii) subject to Section 9.01, an amount equal to the sum of (a) Base Salary multiplied by the applicable Severance Multiple and (b) one-twelfth of the Target Annual Incentive multiplied by the applicable Severance Multiple, each determined as of the Termination Date, ("Post-Change Severance Payment"); provided, however, that any reduction in the Participant's Base Salary or Target Annual Incentive that would qualify as Good Reason shall be disregarded for this purpose.

The Post-Change Severance Payment shall be paid no more than sixty days after the Termination of Employment, provided the applicable revocation period required for the release under Section 9.01 has expired at that time; and subject to Section 10.11(c) and Section 10.11(e).

(b) Post-Termination of Employment non-qualified deferred compensation benefits, equity awards, and employee welfare benefits shall be provided pursuant to the terms of the respective Plans and Policies under which such post-Termination of Employment benefits, awards and welfare benefits, if any, are provided, except as provided in (c) below.

(c) Subject to Section 9.01, if as of the Termination Date the Participant is participating in the Company's or the Employer's healthcare plan with respect to medical, vision, prescription and/or dental coverage and, as a result of the Termination of Employment, will be eligible for post-termination continuation coverage under Section 4980B of the Code ("COBRA"), then the Employer shall pay to the Participant, in a lump sum payment (the "Healthcare Assistance Payment"), an amount equal to (i) the excess of the monthly premium rate for such COBRA coverage for the Participant and his or her eligible dependents (measured as of the Termination of Employment) over the monthly premium rate payable by active employees (i.e., the non-Employer paid portion) for similar employer-provided coverage (measured as of the Termination of Employment), multiplied by (ii) the applicable Healthcare Assistance Multiple. The Healthcare Assistance Payment shall be made no more than 60 days after the Termination of Employment, provided the applicable revocation period for the release required by Section 9.01 has expired at that time, and subject to Section 10.11(c) and Section 10.11(e).

5.03 Termination on or After the Change Date for Any Other Reason. If a Participant has a Termination of Employment for which a Notice of Termination is given during the Post-Change Period, for any reason other than as described in Section 5.02 (including termination by the Employer for Cause, termination by the Employee other than for Good Reason, termination by the Employer or the Employee for Disability, Retirement, or termination on account of death), then the Employer's sole obligation to the Participant under this Plan shall be to pay the Participant all Accrued Obligations determined as of the Termination Date.

5.04 Limitation on Benefits.

(a) In the event it shall be determined that any payment or distribution by an Employer to or for the benefit of the Participant (whether paid or payable or distributed or distributable pursuant to the terms of

this Plan or otherwise) (a "Payment") would be nondeductible by the Employer for Federal income tax purposes because of Section 280G of the Code, then the aggregate present value of amounts payable or distributable to or for the benefit of the Participant pursuant to this Plan ("Plan Payments") shall be reduced to the Reduced Amount if, and only if, by reason of such reduction, the net after-tax benefit received by the Participant, taking into account the applicable federal, state, local and foreign income, employment and other taxes, is greater than the net after-tax benefit that would be received by the Participant if no such reduction was made, taking into account the applicable federal, state, local and foreign income, employment and other taxes, including the excise tax imposed by Section 4999 of the Code. The "Reduced Amount" shall be an amount expressed in present value which maximizes the aggregate present value of Plan Payments without causing any Payment to be nondeductible by the Employer because of Section 280G of the Code. Such reduction shall be applied before any reduction of any other payments that are not Plan Payments unless the plan or agreement calling for such payments expressly provides to the contrary making specific reference to this Plan. Anything to the contrary notwithstanding, if the Reduced Amount under the Plan is zero and it is determined further that any Payment that is not a Plan Payment would nevertheless be nondeductible by the Employer for Federal income tax purposes because of Section 280G of the Code, then the aggregate present value of Payments which are not Plan Payments shall also be reduced (but not below zero) to an amount expressed in present value which maximizes the aggregate present value of Payments without causing any Payment to be nondeductible by the Employer because of Section 280G of the Code. For purposes of this Section, present value shall be determined in accordance with Section 280G(d)(4) of the Code.

(b) The Committee shall select a firm of certified public accountants of national standing, (the "Accounting Firm"), which may be the firm regularly auditing the financial statements of the Company or the Employer. The Accounting Firm shall make all determinations required to be made under this Section and shall provide detailed supporting calculations to the Company, the Employer and the Employee within 30 days after the Termination Date or such earlier time as is requested by the Company, and provide an opinion to the Participant that he or she has substantial authority not to report any Excise Tax on his or her Federal income tax return with respect to any Payments. Any such determination by the Accounting Firm shall be binding upon the Company, the Employer and the Participant. The Accounting Firm shall determine how much of the Plan Payment or Payments, as the case may be, shall be eliminated or reduced consistent with the requirements of this Section and any such reduction shall apply first to lump sum cash amounts payable pursuant to this Plan in the form of the Severance Payment or the Post-Change Severance Payment, as applicable. Subject to Sections 9.01, 10.11(c) and 10.11(e), within five business days thereafter, the Employer shall pay to or distribute to or for the benefit of the Participant such amounts as are then due to the Participant under this Plan.

(c) As a result of the uncertainty in the application of Section 280G of the Code at the time of the initial determination by the Accounting Firm or the Company hereunder, it is possible that Plan Payments or Payments, as the case may be, will have been made by the Employer which should not have been made ("Overpayment") or that additional Plan Payments or Payments, as the case may be, which will not have been made by the Employer could have been made ("Underpayment"), in each case, consistent with the calculations required to be made hereunder. In the event that the Accounting Firm, based upon the assertion of a deficiency by the Internal Revenue Service against the Employee which the Accounting Firm believes has a high probability of success determines that an Overpayment has been made, promptly on notice and demand the Participant shall repay to the Employer any such Overpayment paid or distributed by the Employer to or for the benefit of the Participant together with interest at the applicable Federal rate provided for in Section 7872(f)(2) of the Code; provided, however, that no such amount shall be payable by the Participant to the Employer if and to the extent such payment would not either reduce the amount on which the Participant is subject to tax under Section 1 and Section 4999 of the Code or generate a refund of such taxes. In the event that the Accounting Firm, based upon

controlling precedent or other substantial authority, determines that an Underpayment has occurred, any such Underpayment shall be promptly paid by the Employer to or for the benefit of the Participant together with interest at the applicable federal rate provided for in Section 7872(f)(2) of the Code.

ARTICLE VI Administration

6.01 The Company and Committee.

(a) The Company shall have overall responsibility for the establishment, amendment and termination of the Plan. In carrying out its responsibilities hereunder, the Company shall act through the Committee. The Committee shall have, in its discretion, the responsibilities, duties, powers and authority, assigned to it in this Plan and any responsibilities, duties, powers and authority, under this Plan that are not specifically delegated to anyone else, including the following:

- (i) to determine which individuals shall be selected as Participants.
- (ii) to decide on questions concerning the Plan and the eligibility of any Participant to participate in the Plan, including whether the Participant should remain (or become) a Participant;
- (iii) to determine the nature and timing of any Termination of Employment or the existence of Good Reason;
- (iv) subject to any limitations under the Plan or applicable law, to make and enforce such rules and regulations and prescribe the use of such forms as it shall deem necessary for the efficient administration of the Plan;
- (v) to require any person to furnish such information as it may request as a condition to receiving any benefit under the Plan;
- (vi) to compute or have computed the amount of benefits that shall be payable to any person in accordance with the provisions of the Plan;
- (vii) to construe and interpret the Plan and correct defects, supply omissions and reconcile inconsistencies in the Plan; and
- (viii) to make all other decisions and determinations (including factual determinations) as the Committee may deem necessary or advisable in carrying out its duties and responsibilities or exercising its powers.

(b) Decisions of the Committee shall be final, conclusive and binding on all persons interested in the Plan, including Participants, beneficiaries and other persons claiming rights from or through a Participant.

6.02 Delegation of Committee Authority. The Committee may delegate to officers or employees of the Company, or committees thereof, the authority, subject to such terms as the Committee shall determine, to perform such administrative functions and exercise such administrative powers and authority, as the Committee in its discretion may determine. Such delegation may be revoked at any time.

6.03 Advisors and Agents of the Committee. The Committee may (i) authorize one or more of its members or an agent to execute or deliver any instrument, and make any payment on its behalf and (ii) utilize and

cause the Company to pay for the services of associates and engage accountants, agents, clerks, legal counsel, record keepers and professional consultants (any of whom may also be serving an Employer or another Affiliate of the Company) to assist in the administration of this Plan or to render advice with regard to any responsibility under this Plan.

6.04 Records and Reports of the Committee. The Committee or its delegate shall maintain records and accounts relating to the administration of the Plan.

6.05 Limitation of Liability; Indemnification.

(a) The members of the Board and the Committee shall have no liability with respect to any action or omission made by them in good faith nor from any action made in reliance on (i) the advice or opinion of any accountant, legal counsel, medical adviser or other professional consultant or (ii) any resolutions of the Board certified by the secretary or assistant secretary of the Company. Each member of the Board, the Committee, and each employee to whom are delegated duties, responsibilities and authority with respect to the Plan shall be indemnified, defended, and held harmless by the Company and the Employers and their respective successors against all claims, liabilities, fines and penalties and all expenses (including but not limited to attorneys' fees) reasonably incurred by or imposed on such member or Participant that arise as a result of his actions or failure to act in connection with the operation and administration of the Plan, to the extent lawfully allowable and to the extent that such claim, liability, fine, penalty or expense is not paid for by liability insurance purchased by or paid for by the Company or an Employer. Notwithstanding the foregoing, the Company or an Employer shall not indemnify any person for any such amount incurred through any settlement or compromise of any action unless the Company or an Employer consents in writing to such settlement or compromise.

(b) The Company will continue to cover each Participant under its directors' and officers' insurance policy following the Termination Date for a period of time equal to the applicable statute of limitations. The Company shall indemnify and hold each Participant harmless to the fullest extent legally permitted or authorized by the Company's by-laws or, if greater, by the laws of the State of Delaware, as may be in effect from time to time, in respect of any liability, damage, cost or expense (including reasonable attorneys' fees) actually and reasonably incurred in connection with the defense of any claim, action, suit or proceeding to which the Participant is a party by reason of the Participant's being or having been an officer or director of the Company or any subsidiary or affiliate thereof, or the Participant's serving or having served at the request of such other entity as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, business organization, enterprise or other entity, including service with respect to employee benefit plans. Without limiting the generality of the foregoing, the Company shall pay the expenses (including reasonable attorneys' fees) actually and reasonably incurred in defending any such claim, action, suit or proceeding in advance of its final disposition, upon receipt of the Participant's undertaking to repay all amounts advanced unless it is ultimately determined that Executive is entitled to be indemnified under this Section.

6.06 Plan Expenses. Expenses relating to the Plan before its termination shall be paid from the general assets of the Company or an Employer. Any individual who serves as a member of the Committee shall receive no additional compensation for such service.

7.01 Amendment or Termination of the Plan. The Company by duly adopted resolution of the Committee shall have the sole right to alter, amend or terminate this Plan in whole or in part at any time and to terminate the participation of any Employee; provided, however, that:

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(a) any such adverse amendment or termination shall be effective only as to those Participants, if any, who have consented to such amendment or termination or who have received from the Company at least 12 months' prior written notice ("Amendment Notice" or "Expiration Notice," respectively) of such adverse amendment or termination that sets forth the date of termination or amendment ("Amendment Date" or "Expiration Date"), and

(b) no such Amendment Notice or Expiration Notice shall be effective as to any Participant if a Change Date occurs before the Amendment or Expiration Date specified in the Amendment Notice or Expiration Notice. Any purported Plan termination or amendment in violation of this Section 7.01 shall be void and of no effect.

ARTICLE VIII Claims Procedure

8.01 Filing a Claim.

(a) No claim shall be required for benefit due under the Plan. Any individual eligible for benefits under this Plan who believes he or she is entitled to additional benefits or who desires to clarify his or her right to future benefits under the Plan ("Claimant") may submit his application for benefits ("Claim") to the Committee (or to such other person or persons as may be designated by the Committee) in writing in such form as is provided or approved by the Committee. The Committee shall be the named fiduciary for purposes of this Plan.

(b) When a Claim has been filed properly, it shall be evaluated and the Claimant shall be notified of the approval or the denial of the Claim within 90 days after the receipt of such Claim. A Claimant shall be given a written notice in which the Claimant shall be advised as to whether the Claim is granted or denied, in whole or in part. If a Claim is denied, in whole or in part, the notice shall contain (i) the specific reasons for the denial, (ii) references to pertinent provisions of this Plan on which the denial is based, (iii) a description of any additional material or information necessary to perfect the Claim and an explanation of why such material or information is necessary, and (iv) a description of the Plan's review procedure and time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following a benefit claim denial on review.

8.02 Review of Claim Denial. If a Claim is denied, in whole or in part, or if a Claim is neither approved nor denied within the 90-day period specified Section 8.01(b), the Claimant shall have the right, within 60 days after receipt of such denial (or after such claim is deemed denied), to (i) request that the Committee (or such other person or persons as shall be designated in writing by the Committee) review the denial or the failure to approve or deny the Claim, (ii) review pertinent documents, and (iii) submit issues and comments in writing.

(a) Within 60 days after such request is received, the Committee shall complete its review and give the Claimant written notice of its decision.

(b) The Committee shall include in its notice to Claimant (i) the specific reasons for its decision; (ii) references to pertinent provisions of this Plan on which its decision is based; (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, the Plan and all documents, records and other information relevant to his or her claim for benefits; and (iv) a statement describing the Claimant's right to bring an action under Section 502(a) of ERISA.

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(c) A Claimant shall have no right to seek review of a denial of benefits, or to bring any action in any court to enforce a Claim, before his filing a Claim and exhausting his rights to review under Sections 8.01 and 8.02.

8.03 Dispute Resolution. The Company and the Participant agree to attempt to resolve any dispute between them quickly and fairly through informal, good faith negotiations. If a mutually satisfactory resolution is not reached by such good faith negotiations within 45 days, the Company and the Participant agree that the state courts of North Carolina and, if the jurisdictional prerequisites exist at the time, the federal courts in the State of North Carolina, shall have sole and exclusive jurisdiction to hear and determine any dispute or controversy arising under or relating to this Plan. The Company and each Participant irrevocably (i) consents to the exclusive jurisdiction and venue of the courts of North Carolina and federal courts in the State of North Carolina, in any and all actions arising under or relating to this Plan (including Appendix A and Appendix B hereto), and (ii) waives any jurisdictional defenses (including personal jurisdiction and venue) to any such action. The Committee's interpretation of Plan provisions, and any findings of fact, including eligibility to participate and eligibility for benefits, are final, shall be given deference by any court of law and will not be subject to "de novo" review unless shown to be arbitrary and capricious. The Company and Participant will each separately pay its counsel fees and expenses unless otherwise determined by a court of competent jurisdiction.

ARTICLE IX Release; No Mitigation; No Duplication of Benefits; Recoupment

9.01 Release and Other Conditions Required. Any and all amounts payable and benefits or additional rights provided pursuant to this Plan other than the Accrued Obligations and amounts provided under Section 4.01(b) and 5.02(b) shall only be payable if: (a) the Participant (or Participant's beneficiary in the event of Participant's death) timely delivers to the Employer and does not revoke a general waiver and release of claims in favor of the Company and related parties ("Company Parties") in substantially the form attached hereto as Appendix B, with such changes therein as may be necessary to make it valid and encompassing under applicable law, and the revocation period related to such general waiver and release has expired; (b) Participant resigns from any other positions Participant holds with the Company or an Affiliate, with such resignation to be effective no later than the Termination Date (or such other date as requested by the Company); (c) Participant returns all Company property; and (d) Participant complies with all post-termination obligations under the Confidentiality, Inventions and Non-Competition Agreement that Participant signed in connection with his or her employment with the Company or an

Affiliate. The general waiver and release shall be executed and delivered (and the revocation period related thereto, if any, shall have lapsed without revocation having been made) within sixty (60) days following the Termination Date.

9.02 No Mitigation. No Participant shall have any duty to mitigate the amounts payable under this Plan by seeking or accepting new employment or self-employment following termination. Except as specifically otherwise provided in this Plan, all amounts payable pursuant to this Plan shall be paid without reduction regardless of any amounts of salary, compensation or other amounts that may be paid or payable to the Participant as the result of the Participant's employment by another employer or self-employment.

9.03 No Duplication of Benefits. Subject to Section 10.11(f), to the extent that a Participant shall have received severance payments or other severance benefits under any other Plan or agreement of the Company before receiving severance payments or other severance benefits pursuant to Article IV or Article V, the severance payments or other severance benefits under such other Plan or agreement shall reduce (but not below zero) the corresponding severance payments or other severance benefits to which such Participant shall be entitled under Article IV or Article V. To the extent that a Participant accepts payments made pursuant to Article

IV or Article V, he shall be deemed to have waived his right to receive a corresponding amount of future severance payments or other severance benefits under any other Plan or agreement of the Company. Payments and benefits provided under the Plan shall be in lieu of any termination or severance payments or benefits for which the Participant may be eligible under any of the Plans or Policy of the Company or an Affiliate or under the Worker Adjustment Retraining Notification Act of 1988 or any similar statute or regulation.

9.04 Recoupment Policy. The payments and benefits provided under this Plan shall be subject to recovery under any clawback, recovery or recoupment policy which the Company or an Employer may adopt from time to time, including without limitation the Company's existing recoupment policy and any policy which the Company or an Employer may be required to adopt under Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable law and the rules and regulations of the U.S. Securities and Exchange Commission thereunder or the requirements of any national securities exchange on which the Company's common stock may be listed.

ARTICLE X Miscellaneous

10.01 Participant Information. Each Participant shall notify the Committee of his home address and each change of home address. Each Participant shall also furnish the Committee with any other information and data that the Committee considers necessary for the proper administration of the Plan. The information provided by the Participant under this Section shall be binding on the Participant, his dependents and any beneficiary for all purposes of the Plan and the Committee shall be entitled to rely on any representations regarding personal facts made by a Participant, his dependents or beneficiary, unless such representations are known to be false.

10.02 Electronic Media. Under procedures authorized or approved by the Committee, any form for any notice, election, designation, or similar communication required or permitted to be given to or received from a Participant under this Plan may be communicated or made available to the Company or Participant in an electronic medium (including computer network, e-mail or voice response system) and any such communication to or from a Participant or Beneficiary through such electronic media shall be fully effective under this Plan for such purposes as such procedures shall prescribe. Any record of such communication retrieved from such electronic medium under its normal storage and retrieval parameters shall be effective as a fully authentic executed writing for all purposes of this Plan absent manifest error in the storage or retrieval process.

10.03 Notices. All notices and other communications under this Plan shall be in writing and delivered by hand, by nationally recognized delivery service that promises overnight delivery, or by first-class registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to Participant, at his most recent home address on file with the Company.

If to the Company or any other Employer,

Florina Gordon
P.O. Box 110085
Research Triangle Park
North Carolina, 27709

or to such other address as either party shall have furnished to the other in writing. Notice and communications shall be effective the day of receipt if delivered by hand or electronically, the second business day after deposit with an overnight delivery service if so deposited, or the fifth business day after mailing in the case of first class

registered or certified mail.

10.04 No Employment Contract. The existence of this Plan shall not confer any legal or other rights upon any Participant to employment or continuation of employment. Employees are employees at will. The Company and each Employer reserve the right to terminate any Participant with or without cause at any time, notwithstanding the provisions of this Plan.

10.05 Headings. The headings in this Plan are for convenience of reference and shall not be given substantive effect.

10.06 Construction. Any masculine pronoun shall also mean the corresponding female or neuter pronoun, as the context requires. The singular and plural forms of any term used in this Plan shall be interchangeable, as the context requires.

10.07 Joint and Severe Liability. In the event that any Employer incurs any obligation to a Participant pursuant to this Plan, such Employer, the Company and each Affiliate, if any, of which such Employer is a subsidiary shall be jointly and severally liable with such Employer for such obligation.

10.08 Successors. This Plan shall inure to the benefit of and be binding upon the Company, each Employer and their respective successors and assigns. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of any Employer to assume expressly and agree to comply with this Plan in the same manner and to the same extent that the Employer would be required to comply with it if no such succession had taken place. Failure to require such assumption will be a material breach of this Plan. Any successor to the business or assets of any Employer that assumes or agrees to perform this Plan by operation of law, contract, or otherwise shall be jointly and severally liable with the Employer under this Plan as if such successor were the Employer.

10.09 Payments to Beneficiary. If a Participant dies after becoming entitled to payments under Section 4.01 or 5.02 but before receiving all amounts to which he is entitled under this Plan, then, subject to Section 9.01, such remaining amounts shall be paid to his or her estate.

10.10 Non-Alienation of Benefits. Benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, before actually being received by the Participant, and any such attempt to dispose of any right to benefits payable under this Plan shall be void.

10.11 Tax Matters.

(a) An Employer may withhold from any amounts payable under this Plan or from any other amount due a Participant any federal, state, local and other income, employment and other taxes that are required to be withheld pursuant to any applicable law or regulation.

(b) The intent of the Employers is that payments and benefits under this Plan are exempt from or comply with Section 409A of the Code and, accordingly, to the maximum extent permitted, this Plan shall be interpreted in accordance with that intent. To the extent that any provision hereof is modified in order to comply with Section 409A of the Code, such modification shall be made in good faith and shall, to the maximum extent reasonably possible, maintain the original intent and economic benefit to the Participant and the Employer of the applicable provision without violating the provisions of Section 409A of the Code. In no event whatsoever shall the Company or any Employer be liable for any additional tax, interest or penalty that may be imposed on a

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Participant or Employee by Section 409A of the Code or damages for failing to comply with Section 409A of the Code.

(c) If a Participant is deemed on the Termination Date to be a "specified employee" within the meaning of that term under Section 409A(a)(2)(B) of the Code, then with regard to any payment or the provision of any benefit that is considered "nonqualified deferred compensation" under Section 409A of the Code payable on account of a "separation from service" and which becomes payable under the terms of the Plan within six months following such separation from service, then, to the extent required by Section 409A of the Code, such payment or benefit shall not be made or provided until the date which is the earlier of (i) the day after the expiration of the six-month period measured from the date of such "separation from service" of the Employee, and (ii) the date of the Employee's death. Upon the expiration of the six-month delay period, all payments and benefits delayed pursuant to this provision (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or reimbursed to the Employee in a lump sum without interest, and all remaining payments and benefits due under this Plan shall be paid or provided in accordance with the normal payment dates specified for them herein.

(d) To the extent that reimbursements or other in-kind benefits under this Plan constitute "nonqualified deferred compensation" for purposes of Section 409A of the Code, (A) all expenses or other reimbursements hereunder shall be made on or before the last day of the taxable year following the taxable year in which such expenses were incurred by the Participant, (B) any right to reimbursement or in-kind benefits shall not be subject to liquidation or exchange for another benefit, and (C) no such reimbursement, expenses eligible for reimbursement, or in-kind benefits provided in any taxable year shall in any way affect the expenses eligible for reimbursement, or in-kind benefits to be provided, in any other taxable year.

(e) For purposes of Section 409A of the Code, the Participant's right to receive installment payments pursuant to this Plan shall be treated as a right to receive a series of separate and distinct payments. Whenever this Plan specifies a payment period with reference to a number of days, the actual date of payment within the specified period shall be within the sole discretion of the Employer and the Participant shall have no right to directly or indirectly specify the date of payment; provided that if the timing of the payment is contingent on the lapse or expiration of the revocation period for the release required under Section 9.01 and such revocation period could, as of the Termination Date, lapse either in the same year as the Termination Date or in the following year, the actual date of payment within the specified period shall be in such following year.

(f) Notwithstanding any other provision of this Plan to the contrary, in no event shall any payment or benefit under this Plan that constitutes "nonqualified deferred compensation" for purposes of Section 409A of the Code be subject to offset by any other amount unless such offset would not trigger additional taxes and penalties under Section 409A of the Code.

10.12 Governing Law. The provisions of this Plan shall be governed, construed and administered in accordance with the laws of the State of North Carolina, other than its laws respecting choice of law, except to the extent preempted by federal law, including ERISA.

10.13 Severability. If any one or more Articles, Sections or other portions of this Plan are declared by any court or governmental authority to be unlawful or invalid, such unlawfulness or invalidity shall not serve to invalidate any Article, Section or other portion not so declared to be unlawful or invalid; provided that if the release required under Section 10.01 is declared to be unlawful or unenforceable, then no payments shall be made the payment of which is subject to such release, and the Participant shall forthwith restore to the Employer any payments previously made that were subject to such release. Any Article, Section or other portion so declared to

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be unlawful or invalid shall be construed so as to effectuate the terms of such Article, Section or other portion to the fullest extent possible while remaining lawful and valid.

ARTICLE XI ERISA Compliance Provisions

11.01 Summary Plan Description Provisions

(a) *General Information.* This document also serves as the summary plan description for the Plan. The following is additional information about the Plan.

Plan sponsor: Liquidia Technologies, Inc.
EIN: 20-1926605
P.O. Box 110085
Research Triangle Park
North Carolina, 27709

Tel: 919-328-4428

Plan name: Liquidia Technologies Executive Severance and Change in Control Plan

Plan number: 502

Type of plan: Severance pay plan that is a “welfare benefit plan” under ERISA.

Funding: Paid from the Company’s general assets.

Plan year: Calendar year

Plan Administrator: Compensation Committee of the Board of Directors of Liquidia Technologies, Inc.
P.O. Box 110085
Research Triangle Park
North Carolina, 27709

Tel: (919) 328-4428

Agent for service of legal process: If you have to bring legal action against the Plan for any reason, legal process can be served on the Plan Administrator at P.O. Box 110085, Research Triangle Park, North Carolina, 27709.

(b) *Statement of ERISA Rights.* As a Participant in the Plan, you are entitled to certain rights and protections under the ERISA. ERISA provides that all Plan Participants shall be entitled to:

(i) *Receive Information About Your Plan and Benefits*

(1) Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites, all documents governing the Plan, including a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

(2) Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

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(3) Receive a summary of the Plan’s annual financial report, if applicable. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report.

(ii) *Prudent Actions by Plan Fiduciaries*

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called “fiduciaries” of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

(iii) *Enforce Your Rights*

If your claim for a welfare benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits, which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. If you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

(iv) *Assistance with Your Questions*

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Adopted: March 3, 2017
Compensation Committee of the Board of Directors
Liquidia Technologies, Inc.

**APPENDIX A
PARTICIPATION AGREEMENT**

This PARTICIPATION AGREEMENT (this “Agreement” or this “Restrictive Covenants Agreement”) is entered into as of _____, 20____, between Liquidia Technologies, Inc. (the “Company”) and _____ (the “Executive”) (jointly the “Parties”) pursuant to which the Executive accepts participation in the Liquidia Technologies Executive Severance and Change in Control Plan (the “Severance Plan”) subject to the terms and conditions thereof as amended from time to time.

REASONS FOR THIS AGREEMENT: During Executive’s relationship with the Company, Executive has learned, will learn, or has or will have access to, trade secrets and important proprietary and confidential information related to the operations and business of Liquidia Technologies, Inc. and its subsidiaries and affiliates (collectively, the “Company’s Business”).

Executive acknowledges executing and being subject to the terms of the Confidentiality, Invention and Non-Competition Agreement (the “Restrictive Covenants Agreement”). [To the extent a participant has not previously entered into the Confidentiality, Invention and Non-Competition Agreement, the participant will need to execute it in order to participate in plan.] In consideration of employment or continued employment, participation in the Severance Plan and other valuable consideration, the receipt and sufficiency of which are acknowledged, Executive agrees to continue to be subject to, and abide by, such Restrictive Covenants Agreement.

IN WITNESS WHEREOF, the Company and the Executive have executed this Participation Agreement as of the date first written above.

PARTICIPANT:

(signature)

LIQUIDIA TECHNOLOGIES, INC:

By: _____

(print name)

Its: _____

**APPENDIX B
GENERAL RELEASE AND WAIVER**

1. I, _____, in consideration of and subject to the performance by Liquidia Technologies, Inc. (together with its Affiliates, the “Company Parties”), of its obligations under the Liquidia Technologies Executive Severance and Change in Control Plan effective as of [_____] , as amended from time to time before the date hereof (the “Plan”), do hereby release and forever discharge as of the date hereof the Company Parties and their respective affiliates, subsidiaries and direct or indirect parent entities and all present, former and future shareholders, directors, officers, agents, representatives, employees, successors and assigns of the Company and/or its respective affiliates, subsidiaries and direct or indirect parent entities (collectively, the “Released Parties”) to the extent provided below (this “General Release”). The Released Parties are intended to be third-party beneficiaries of this General Release, and this General Release may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Terms used herein but not otherwise defined shall have the meanings given to them in the Plan.

2. I understand that any payments or benefits paid or granted to me under Section 4.01 or 5.02 of the Plan (other than the Accrued Obligations) represent, in part, consideration for signing this General Release and are not salary, wages or benefits to which I was already entitled. I understand and agree that I will not receive certain of the payments and benefits specified in the Plan unless I execute this General Release and do not revoke this General Release within the time period permitted hereafter. Such payments and benefits will not be considered compensation for purposes of any employee benefit plan, program, policy or arrangement maintained or hereafter established by the Company or its Affiliates.

3. Except as provided in paragraphs 4, 5, and 11 below and except for the provisions of the Plan which expressly survive the termination of my employment with the Company, I knowingly and voluntarily (for myself, my heirs, executors, administrators and assigns) release and forever discharge the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys’ fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this General Release becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which I, my spouse, or any of my heirs, executors, administrators or

assigns, may have, which arise out of or are in any way related to events, acts, conduct, or omissions occurring prior to or on the date you sign this Agreement, including, but not limited to (all of the following collectively referred to herein as the “Claims”):

(a) any and all claims that in any way result from, or relate to, Executive’s hire, employment with or separation from employment with the Company Parties, whether pursuant to federal, state or local law, statute, regulation, ordinance, executive order or common law including, but not limited to, wrongful discharge of employment, constructive discharge from employment, termination in violation of public policy, discrimination, harassment, retaliation, breach of contract, both express and implied, breach of a covenant of good faith and fair dealing, both express and implied; promissory estoppel, negligent or intentional infliction of emotional distress, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, unfair business practices, defamation, libel, slander, negligence, personal injury, assault, battery, invasion of privacy, false imprisonment, and conversion, including costs and attorneys’ fees;

(b) any and all claims for violation of any federal, state or municipal statute, including, but not limited to, Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave

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Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; the National Labor Relations Act (“NLRA”); the North Carolina Retaliatory Employment Discrimination Act; the North Carolina Persons with Disabilities Protection Act; the North Carolina Equal Employment Practices; and any other statute that pertains or relates to, or otherwise touches upon, the employment relationship between the Company Parties and Executive.

4. I agree that this General Release does not waive or release any rights or claims that I may have under the Age Discrimination in Employment Act of 1967, as amended (“ADEA”) which arise after the date I execute this General Release and does not extend to any claims that, by statute, may not be waived. I acknowledge and agree that my separation from employment with the Company Parties in compliance with the terms of the Plan shall not serve as the basis for any claim or action (including, without limitation, any claim under the ADEA).

5. I agree that I hereby waive all rights to sue or obtain equitable, remedial or punitive relief from any or all Released Parties of any kind whatsoever in respect of any Claim, including, without limitation, reinstatement, back pay, front pay, and any form of injunctive relief. Notwithstanding the above, I further acknowledge that I am not waiving and am not being required to waive any right that cannot be waived under law, including the right to file a claim for workers’ compensation benefits or unemployment insurance benefits; provided, however, that I waive, to the extent permitted by law, any right or ability to be a class or collective action representative or to otherwise participate in any putative or certified class, collective or multi-party action or proceeding based on any such claims in which any of the Company Parties is a party. Additionally, I am not waiving (i) any right to the Accrued Obligations or any severance benefits to which I am entitled under the Plan, (ii) any claim relating to directors’ and officers’ liability insurance coverage or any right of indemnification under the Company’s organizational documents or otherwise, (iii) my rights as an equity or security holder in the Company or its Affiliates, (iv) my rights under any equity awards that survive termination of employment; or (v) my rights under any retirement plan that is “qualified” under Section 401(a) of the Internal Revenue Code of 1986. Furthermore, nothing in this General Release prevents me from filing a charge or complaint, reporting to, cooperating with, communicating with, or participating in any proceeding before the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, the United States Department of Labor, the National Labor Relations Board, or other similar state or local agency (the “Government Agencies”), or from exercising any rights pursuant to Section 7 of the NLRA, or from taking any action protected under the whistleblower provisions of any federal securities law (“Protected Activities”), none of which activities shall constitute a breach of the release, non-disparagement or confidentiality clauses of this General Release. I understand that, in connection with such Protected Activity, I am permitted to disclose documents or other information as permitted by law, but I shall take all reasonable precautions to prevent any unauthorized use or disclosure of any information that may constitute confidential or proprietary information under my Confidentiality, Invention and Non-Competition Agreement to any parties other than the Government Agencies, and further understand that “Protected Activity” does not include the disclosure of any attorney-client privileged communications with the Company Parties, and that any such disclosure without the written consent of the Company Parties shall constitute a material breach of this General Release.

6. In signing this General Release, I acknowledge and intend that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied, except those described in Section 5 above. I expressly consent that this General Release shall be given full force and effect according to each and all of its express terms and provisions, including those relating to unknown and unsuspected Claims (notwithstanding any state or local statute that expressly limits the effectiveness of a general release of unknown, unsuspected and unanticipated Claims), if any, as well as those relating to any other Claims hereinabove mentioned or implied. I acknowledge and agree that this waiver is an essential and material term of this General Release and that without

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such waiver I would not have become a Participant in the Plan. I further agree that in the event I should bring a Claim seeking damages against the Company, or in the event I should seek to recover against the Company in any Claim brought by a governmental agency on my behalf, this General Release shall serve as a complete defense to such Claims to the maximum extent permitted by law.

7. I agree that neither this General Release, nor the furnishing of the consideration for this General Release, shall be deemed or construed at any time to be an admission by the Company, any Released Party or myself of any improper or unlawful conduct.

8. I agree not to disparage the Company Parties, and the Company Parties’ directors, managers, partners, employees, and agents, in any manner likely to be harmful to them or their business, business reputation or personal reputation, provided that I may respond accurately and fully to any question, inquiry or request for information when required by legal process and otherwise engage in a Protected Activity.

9. I agree that this General Release and the Plan are confidential and agree not to disclose any information regarding the terms of this General Release or the Plan, except to my immediate family and any tax, legal or other counsel that I have consulted regarding the meaning or effect hereof or to a successor employer respecting the terms of any restrictive covenants to which I may be subject, or as required by law, and I will instruct each of the foregoing not to further disclose the same to anyone.

10. Any non-disclosure provision in this General Release does not prohibit or restrict me (or my attorney) from responding to any inquiry about this General Release or its underlying facts and circumstances by the Securities and Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), any other securities regulatory organization or any governmental entity.

11. I represent that I am not aware of any claim by me other than the claims that are released by this General Release. I acknowledge that I may hereafter discover claims or facts in addition to or different than those which I now know or believe to exist with respect to the subject matter of the release set forth in paragraph 3 above and which, if known or suspected at the time of entering into this General Release, may have materially affected this General Release and my decision to enter into it. I represent and warrant that I have never suffered an on the job or occupational injury or incurred any leave, wage or overtime claims, whether pursuant to the Fair Labor Standards Act, Family Medical Leave Act, or otherwise, during my employment, or in the alternative that any such claims have been resolved to my complete satisfaction, and as such, no such claims by me or on my behalf exist as of the date of this Agreement. I further represent that I have been provided by the Company Parties all wages, severance, vacation, benefits, commissions, bonuses, expense reimbursements, or other amounts owed to me by the Company Parties, other than the Accrued Obligations and the payments or benefits paid or granted to me under Section 4.01 or 5.02 of the Plan.

12. Notwithstanding anything in this General Release to the contrary, this General Release shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of the Plan after the date hereof.

13. The Parties understand and acknowledge that this General Release constitutes a compromise and settlement of actual or potential disputed claims. No action taken by the Parties hereto, or either of them, either previously or in connection with this General Release shall be deemed or construed to be:

(a) an admission of the truth or falsity of any claims made or any potential claims; or

(b) an acknowledgment or admission by either Party of any fault or liability whatsoever to the other Party or to any third party.

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14. I waive any claim to reinstatement or re-employment with the Released Parties and agree not to bring any claim based upon the failure or refusal of the Released Parties to employ me hereafter. If I seek employment or become employed with the Released Parties (knowingly or unknowingly), this General Release shall conclusively be deemed the sole and exclusive reason for denying such application for employment with the Released Parties and/or the basis for my discharge if hired.

15. In entering into this General Release, neither Party has relied upon any representations or statements made by the other Party hereto which are not specifically set forth in this General Release.

16. The language in all parts of this Agreement will be construed, in all cases, according to its fair meaning, and not for or against either Party hereto. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party will not be employed in the interpretation of this Agreement. The captions of the Paragraphs of this Agreement are for convenience of reference only and in no way define, limit or affect the scope or substance of any Paragraph of this Agreement.

17. Whenever possible, each provision of this General Release shall be interpreted in, such manner as to be effective and valid under applicable law, but if any provision of this General Release is held to be invalid, illegal or unenforceable in any respect under any applicable law or rule in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, but this General Release shall be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been contained herein.

18. BY SIGNING THIS GENERAL RELEASE, I REPRESENT AND AGREE THAT:

(a) I HAVE READ IT CAREFULLY; AND I UNDERSTAND ALL OF ITS TERMS AND KNOW THAT I AM GIVING UP IMPORTANT RIGHTS, INCLUDING BUT NOT LIMITED TO, RIGHTS UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967, AS AMENDED, TITLE VII OF THE CIVIL RIGHTS ACT OF 1964, AS AMENDED; THE EQUAL PAY ACT OF 1963, THE AMERICANS WITH DISABILITIES ACT OF 1990; AND THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED;

(b) I VOLUNTARILY CONSENT TO EVERYTHING IN IT;

(c) THE CONSIDERATION GIVEN TO ME FOR THIS GENERAL RELEASE IS IN ADDITION TO ANYTHING OF VALUE TO WHICH I WAS ALREADY ENTITLED;

(d) I HAVE BEEN ADVISED TO CONSULT WITH AN ATTORNEY BEFORE EXECUTING IT AND I HAVE DONE SO OR, AFTER CAREFUL READING AND CONSIDERATION, I HAVE CHOSEN NOT TO DO SO OF MY OWN VOLITION;

(e) I HAVE HAD [21 DAYS/45 DAYS] FROM THE DATE OF MY RECEIPT OF THIS RELEASE TO CONSIDER IT, AND THE CHANGES MADE SINCE MY RECEIPT OF THIS RELEASE ARE NOT MATERIAL OR WERE MADE AT MY REQUEST AND WILL NOT RESTART THE REQUIRED [21/45]-DAY PERIOD;

(f) I UNDERSTAND THAT I HAVE SEVEN (7) DAYS AFTER THE EXECUTION OF THIS RELEASE TO REVOKE IT AND THAT THIS RELEASE SHALL NOT BECOME EFFECTIVE OR ENFORCEABLE UNTIL THE REVOCATION PERIOD HAS EXPIRED;

(g) I HAVE SIGNED THIS GENERAL RELEASE KNOWINGLY AND VOLUNTARILY AND WITH THE ADVICE OF ANY COUNSEL RETAINED TO ADVISE ME WITH RESPECT TO IT; AND

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(h) I AGREE THAT THE PROVISIONS OF THIS GENERAL RELEASE MAY NOT BE AMENDED, WAIVED, CHANGED OR MODIFIED EXCEPT BY AN INSTRUMENT IN WRITING SIGNED BY AN AUTHORIZED REPRESENTATIVE OF THE COMPANY AND BY ME.

SIGNED: _____ DATED: _____
Participant

LIQUIDIA TECHNOLOGIES, INC. ANNUAL CASH BONUS PLAN

1. Background and Purpose.

1.1 Purpose. The purpose of the Liquidia Technologies, Inc. Annual Cash Bonus Plan (the “**Plan**”) is to motivate and reward eligible employees by making a portion of their cash compensation dependent on the achievement of certain corporate, business unit and individual performance goals.

1.2 Effective Date. The Plan is effective as of July 26, 2018 (the “**Effective Date**”) and shall remain in effect until it has been terminated pursuant to **Section 9.6**.

2. Definitions. The following terms shall have the following meanings:

2.1 “**Affiliate**” means any corporation or other entity controlled by the Company.

2.2 “**Award**” means an award granted pursuant to the Plan, which shall be earned contingent on the employment requirement set forth in **Section 6.3** and the attainment of the Performance Goals with respect to a Performance Period, as determined by the Committee pursuant to **Section 6.1**.

2.3 “**Base Salary**” means the Participant’s annualized rate of base salary on the last day of the Performance Period before (i) deductions for taxes or benefits and (ii) deferrals of compensation pursuant to any Company or Affiliate-sponsored plans.

2.4 “**Board**” means the Board of Directors of the Company, as constituted from time to time.

2.5 “**Cause**” means, with respect to a Participant, except as otherwise provided in the Participant’s employment agreement, (i) the Participant’s plea of guilty or nolo contendere to, or conviction of, (A) a felony (or its equivalent in a non-United States jurisdiction) or (B) other conduct of a criminal nature that has or is likely to have a material adverse effect on the reputation or standing in the community of the Company, any of its Affiliates or a successor to the Company or an Affiliate, as determined by the Committee in its sole discretion, or that legally prohibits the Participant from working for the Company, a successor to the Company or an Affiliate; (ii) a breach by the Participant of a regulatory rule that adversely affects the Participant’s ability to perform the Participant’s employment duties to the Company, any of its Subsidiaries or a successor to the Company or an Affiliate, in any material respect; or (iii) the Participant’s failure, in any material respect, to (A) perform the Participant’s employment duties, (B) comply with the applicable policies of the Company, or of its Affiliates, or a successor to the Company or an Affiliate, or (C) comply with covenants contained in any contract to which the Participant is a party; provided, however, that the Participant shall be provided a written notice describing in reasonable detail the facts which are considered to give rise to a breach described in this clause (iii) and the Participant shall have 30 days following

receipt of such written notice (the “**Cure Period**”) during which the Participant may remedy the condition and, if so remedied, no termination for Cause shall exist.

2.6 “**Change in Control**” means the first of the following to occur: (i) a Change in Ownership of the Company, (ii) a Change in Effective Control of the Company, or (iii) a Change in the Ownership of Assets of the Company, as described herein and construed in accordance with Section 409A of the Code.

(a) A “Change in Ownership of the Company” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire, ownership of the capital stock of the Company that, together with the stock held by such Person or Group, constitutes more than 50% of the total fair market value or total voting power of the capital stock of the Company. However, if any one Person is, or Persons Acting as a Group are, considered to own more than 50%, on a fully diluted basis, of the total fair market value or total voting power of the capital stock of the Company, the acquisition of additional stock by the same Person or Persons Acting as a Group is not considered to cause a Change in Ownership of the Company or to cause a Change in Effective Control of the Company (as described below). An increase in the percentage of capital stock owned by any one Person, or Persons Acting as a Group, as a result of a transaction in which the Company acquires its stock in exchange for property will be treated as an acquisition of stock.

(b) A “Change in Effective Control of the Company” shall occur on the date either (A) a majority of members of the Board is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election, or (B) any one Person, or Persons Acting as a Group, acquires (or has acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons) ownership of stock of the Company possessing 50% or more of the total voting power of the stock of the Company.

(c) A “Change in the Ownership of Assets of the Company” shall occur on the date that any one Person acquires, or Persons Acting as a Group acquire (or has or have acquired during the 12-month period ending on the date of the most recent acquisition by such Person or Persons), assets from the Company that have a total gross fair market value equal to or more than 50% of the total gross fair market value of all of the assets of the Company immediately before such acquisition or acquisitions. For this purpose, gross fair market value means the value of the assets of the Company, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

The following rules of construction apply in interpreting the definition of Change in Control:

(i) A “**Person**” means any individual, entity or group within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, other than employee benefit plans sponsored or maintained by the Company and by entities controlled by the Company or an underwriter, initial purchaser or placement agent temporarily holding the capital stock of the Company pursuant to a registered public offering.

(ii) Persons will be considered to be “**Persons Acting as a Group (or Group)**” if they are owners of a corporation that enters into a merger, consolidation, purchase or acquisition of stock, or similar business transaction with the corporation. If a Person owns stock in both corporations that

enter into a merger, consolidation, purchase or acquisition of stock, or similar transaction, such shareholder is considered to be acting as a Group with other shareholders only with respect to the ownership in that corporation before the transaction giving rise to the change and not with respect to the ownership interest in the other corporation. Persons will not be considered to be acting as a Group solely because they purchase assets of the same corporation at the same time or purchase or own stock of the same corporation at the same time, or as a result of the same public offering.

(iii) A Change in Control shall not include a transfer to a related person as described in Section 409A of the Code or a public offering of capital stock of the Company.

(iv) For purposes of the definition of Change in Control, Section 318(a) of the Code applies to determine stock ownership. Stock underlying a vested option is considered owned by the individual who holds the vested option (and the stock underlying an unvested option is not considered owned by the individual who holds the unvested option). For purposes of the preceding sentence, however, if a vested option is exercisable for stock that is not substantially vested (as defined by Treasury Regulation §1.83-3(b) and (j)), the stock underlying the option is not treated as owned by the individual who holds the option.

2.7 “**Code**” means the U.S. Internal Revenue Code of 1986, as amended from time to time, including any regulations or authoritative guidance promulgated thereunder and successor provisions thereto.

2.8 “**Committee**” means the Compensation Committee of the Board or such other committee appointed by the Board to administer the Plan pursuant to **Section 3.1**.

2.9 “**Company**” means Liquidia Technologies, Inc., a North Carolina corporation, and any successor thereto.

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2.10 “**Company Performance Metrics**” means criteria established by the Committee relating to any of the following, as it may apply to one or more business units, divisions, or Affiliates, or on a Company-wide basis, and in absolute terms, relative to a base period, or relative to the performance of one or more comparable companies, peer groups, or an index covering multiple companies, which, may include, but is not limited to, any of the following: product research and development; completion of an identified special project; clinical trials; regulatory filings or approvals; patent application or issuance; manufacturing or process development; sales or net sales; market share; market penetration; economic value added; customer service; customer satisfaction; inventory control; balance of cash, cash equivalents and marketable securities; growth in assets; key hires; employee satisfaction; employee retention; business expansion; acquisitions, divestitures, joint ventures; capital or fund raising to support operations; government grants; license arrangements; collaboration or customer agreements or arrangements; legal compliance or safety and risk reduction; or such other measures as determined by the Committee consistent with these performance measures.

2.11 “**Individual Performance Metrics**” means criteria established by the Committee relating to a Participant, which, may include, but shall not be limited to, the following: individual performance during the Performance Period relative to others in the business unit taking into consideration the level of difficulty of the individual’s objectives, the consistency of his or her actions with corporate values, the level of performance vs. objectives, the individual’s most recent performance rating (if applicable), past performance and future potential, and outside benchmark market data for similar positions.

2.12 “**Negative Discretion**” means the discretion of the Committee to reduce or eliminate the size of an Award in accordance with **Section 6.1(b)** of the Plan.

2.13 “**Participant**” means as to any Performance Period, the employees of the Company or an Affiliate who are designated by the Committee to participate in the Plan for that Performance Period.

2.14 “**Performance Criteria**” means the performance criteria upon which the Performance Goals for a particular Performance Period are based, as determined by Committee or the management of the Company which include either Company Performance Metrics or Individual Performance Metrics or a combination thereof.

2.15 “**Performance Goals**” means the goals selected by the Committee, in its discretion to be applicable to a Participant for any Performance Period. Performance Goals shall be based upon one or more Performance Criteria. Performance Goals may include a threshold level of performance below which no Award will be paid and levels of performance at which specified percentages of the Target Award will be paid and may also include a maximum level of performance above which no additional Award amount will be paid.

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2.16 “**Performance Period**” means the period for which performance is calculated, which shall be the Plan Year or a portion thereof, unless a longer period is otherwise established by the Committee.

2.17 “**Plan**” means the Liquidia Technologies, Inc. Annual Cash Bonus Plan, as hereafter amended from time to time.

2.18 “**Plan Year**” means the Company’s fiscal year, which commences on January 1st and ends on December 31st or such other period.

2.19 “**Pro-rated Award**” means an amount equal to the Award otherwise payable to the Participant for a Performance Period in which the Participant was actively employed by the Company or an Affiliate for only a portion thereof, multiplied by a fraction, the numerator of which is the number of days the Participant worked during the Performance Period and the denominator of which is the number of days in the Performance Period.

2.20 “**Target Award**” means the target award payable under the Plan to a Participant for a particular Performance Period, expressed as a percentage of the Participant’s Base Salary. In special circumstances, the target award may be expressed as a fixed amount of cash.

3. Administration.

3.1 Administration By the Committee. The Plan shall be administered by the Committee which shall consist of not less than two (2) members of the Board.

3.2 Authority of the Committee. Subject to the provisions of the Plan and applicable law, the Committee shall have the power, in addition to other express powers and authorizations conferred on the Committee by the Plan, to: (i) designate Participants; (ii) determine the terms and conditions of any Award; (iii) determine whether, to what extent, and under what circumstances Awards may be forfeited or suspended; (iv) interpret, administer, reconcile any inconsistency, correct any defect and/or supply any omission in the Plan or any instrument or agreement relating to, or Award granted under, the Plan; (v) establish, amend, suspend, or waive any rules for the administration, interpretation and application of the Plan; and (vi) make any other determination and take any other action that the Committee deems necessary or desirable for the administration of the Plan.

3.3 Decisions Binding. All determinations and decisions made by the Committee, the Board, and any delegate of the Committee pursuant to the provisions of the Plan shall be final, conclusive and binding on all persons, and shall be given the maximum deference permitted by law.

3.4 Delegation By the Committee. The Committee, in its sole discretion, may delegate all or part of its authority and powers under the Plan to one or more directors

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and/or officers of the Company; provided, however, that the Committee may not delegate its responsibility to make Awards to executive officers.

3.5 Agents; Limitation of Liability. The Committee may appoint agents to assist in administering the Plan. The Committee and each member thereof shall be entitled to, in good faith, rely or act upon any report or other information furnished to it or him by any officer or employee of the Company, the Company's certified public accountants, consultants or any other agent assisting in the administration of the Plan. Members of the Committee and any officer or employee of the Company acting at the direction or on behalf of the Committee shall not be personally liable for any action or determination taken or made in good faith with respect to the Plan, and shall, to the extent permitted by law, be fully indemnified and protected by the Company with respect to any such action or determination.

4. Eligibility and Participation.

4.1 Eligibility. Employees of the Company and its participating Affiliates are eligible to participate in the Plan.

4.2 Participation. The Committee, in its discretion, shall select the persons who shall be Participants for the Performance Period. Only eligible individuals who are designated by the Committee to participate in the Plan with respect to a particular Performance Period may participate in the Plan for that Performance Period. An individual who is designated as a Participant for a given Performance Period is not guaranteed or assured of being selected for participation in any subsequent Performance Period.

4.3 New Hires; Newly Eligible Participants. A newly hired or newly eligible Participant will be eligible to receive a Pro-rated Award reflecting participation for a portion of the Performance Period.

4.4 Leaves of Absence. If a Participant is on a leave of absence, including due to disability, for a portion of a Performance Period, the Participant will be eligible to receive a Pro-rated Award reflecting participation for the period during which he or she was actively employed and not any period when he or she was on leave.

5. Terms of Awards.

5.1 Determination of Target Awards. Prior to or within the first quarter of each Plan Year, the Committee, in its sole discretion, shall establish the Target Award for each Participant, the payment of which shall be conditioned on the achievement of the Performance Goals for the Performance Period.

5.2 Adjustments. The Committee is authorized, in its sole discretion, to adjust or modify the calculation of a Performance Goal for a Performance Period during the Performance Period as it deems desirable and appropriate.

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6. Payment of Awards.

6.1 Determination of Awards.

(a) Subject to **Section 6.3**, following the completion of each Performance Period, the Committee shall determine the extent to which the Performance Goals have been achieved or exceeded. If the employment requirement set forth in **Section 6.3** and the minimum Performance Goals established by the Committee are not achieved, then no award will be earned under this Plan.

(b) In determining the amount of each Award, the Committee may reduce or eliminate the amount of an Award by applying Negative Discretion if, in its sole discretion, such reduction or elimination is appropriate.

6.2 Form and Timing of Payment. Except as otherwise provided herein, as soon as practicable following the Committee's determination pursuant to Section 6.1 for the applicable Performance Period, each Participant shall receive a cash lump sum payment of his or her Award, less required withholding. In no event shall such payment be made later than 2 1/2 months following the end of the Performance Period.

6.3 Employment Requirement. Except as otherwise provided in **Section 7**, no Award may be earned by any Participant who is not actively employed by the Company or an Affiliate on the date that Awards are paid.

6.4 Deferral of Awards. The Committee, in its sole discretion, may permit a Participant to defer the payment of an Award that would otherwise be paid under the Plan. Any deferral election shall be subject to such rules and procedures as shall be determined by the Committee in its sole discretion.

7. Termination of Employment.

7.1 Employment Requirement. Except as otherwise provided in Section 7.2 or pursuant to the terms of a Participant's employment agreement or similar agreement with the Company, if a Participant's employment terminates for any reason prior to the date that Awards are paid, the Participant shall no longer be eligible to earn an Award for the Performance Period. However, except in the event the Participant is terminated for Cause, the Committee, in its sole discretion, may pay a Pro-rated Award reflecting the Participant's participation for a portion of the Performance Period. Such Pro-rated Award will be paid at the same time and in the same manner as Awards are paid to other Participants.

7.2 Termination of Employment Due to Death. If a Participant's employment is terminated by reason of his or her death during a Performance Period, the Participant or his or her beneficiary will be paid a Pro-rated Award reflecting participation for a portion

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of the Performance Period. Payment of such Pro-rated Award will be made at the same time and in the same manner as Awards are paid to other Participants.

8. Change in Control.

If a Change in Control occurs during a Performance Period, subject to the terms of any Company plan or a Participant's employment agreement, change in control agreement, severance agreement or similar agreement, as applicable, the Committee may, but is not required to, provide for a Participant to be paid a Pro-rated Award based on actual or target performance, as determined by the Committee. Such Pro-rated Awards, if any, paid in connection with a Change in Control, will be paid within 30 days following the Change in Control.

9. General Provisions.

9.1 Compliance With Legal Requirements. The Plan and the granting of Awards shall be subject to all applicable federal and state laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required.

9.2 Non-transferability. A person's rights and interests under the Plan, including any Award previously made to such person or any amounts payable under the Plan may not be assigned, pledged, or transferred, except in the event of the Participant's death, to a designated beneficiary in accordance with the Plan, or in the absence of such designation, by will or the laws of descent or distribution.

9.3 No Right to Employment. Nothing in the Plan or in any notice of Award shall confer upon any person the right to continue in the employment of the Company or any Affiliate or affect the right of the Company or any Affiliate to terminate the employment of any Participant.

9.4 No Right to Award. Unless otherwise expressly set forth in an employment agreement signed by the Company and a Participant, a Participant shall not have any right to any Award under the Plan until such Award has been paid to such Participant and participation in the Plan in one Performance Period does not connote any right to become a Participant in the Plan in any future Performance Period.

9.5 Withholding. The Company shall have the right to withhold from any Award, any federal, state or local income and/or payroll taxes required by law to be withheld and to take such other action as the Committee may deem advisable to enable the Company and Participants to satisfy obligations for the payment of withholding taxes and other tax obligations relating to an Award.

9.6 Amendment or Termination of the Plan. The Board or the Committee may, at any time, amend, suspend or terminate the Plan in whole or in part. Notwithstanding the

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foregoing, no amendment shall adversely affect the rights of any Participant to Awards allocated prior to such amendment, suspension or termination.

9.7 Unfunded Status. Nothing contained in the Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind or a fiduciary relationship between the Company and any Participant, beneficiary or legal representative or any other person. To the extent that a person acquires a right to receive payments under the Plan, such right shall be no greater than the right of an unsecured general creditor of the Company. All payments to be made hereunder shall be paid from the general funds of the Company and no special or separate fund shall be established and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in the Plan. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974, as amended (ERISA).

9.8 Governing Law. The Plan shall be construed, administered and enforced in accordance with the laws of North Carolina without regard to conflicts of law.

9.9 Beneficiaries. To the extent that the Committee permits beneficiary designations, any payment of Awards due under the Plan to a deceased Participant shall be paid to the beneficiary duly designated by the Participant in accordance with the Company's practices. If no such beneficiary has been designated or survives the Participant, payment shall be made by will or the laws of descent or distribution.

9.10 Section 409A of the Code. It is intended that payments under the Plan qualify as short-term deferrals exempt from the requirements of Section 409A of the Code. In the event that any Award does not qualify for treatment as an exempt short-term deferral, it is intended that such amount will be paid in a manner that satisfies the requirements of Section 409A of the Code. The Plan shall be interpreted and construed accordingly.

9.11 Expenses. All costs and expenses in connection with the administration of the Plan shall be paid by the Company.

9.12 Section Headings. The headings of the Plan have been inserted for convenience of reference only and in the event of any conflict, the text of the Plan, rather than such headings, shall control.

9.13 Severability. In the event that any provision of the Plan shall be considered illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining provisions of the Plan, but shall be fully severable, and the Plan shall be construed and enforced as if such illegal or invalid provision had never been contained therein.

9.14 Gender and Number. Except where otherwise indicated by the context, wherever used, the masculine pronoun includes the feminine pronoun; the plural shall include the singular, and the singular shall include the plural.

9.15 Non-exclusive. Nothing in the Plan shall limit the authority of the Company, the Board or the Committee to adopt such other compensation arrangements, as it may deem desirable for any Participant.

9.16 Notice. Any notice to be given to the Company or the Committee pursuant to the provisions of the Plan shall be in writing and directed to the Secretary of the Company at 419 Davis Drive, Suite 100 Morrisville, North Carolina 27560.

9.17 Successors. All obligations of the Company under the Plan with respect to Awards granted hereunder shall be binding upon any successor to the Company, whether the existence of such successor is the result of a direct or indirect purchase, merger, consolidation or otherwise, of all or substantially all of the assets of the Company.

9.18 Clawback. All Awards may be subject to the Company's clawback policy as in effect from time to time and, in accordance with such policy, may be subject to the requirement that the Awards be repaid to the Company after they have been distributed to the Participant.

The action permitted to be taken by the Board under this **Section 9.18** is in addition to, and not in lieu of, any and all other rights of the Board and/or the Company under applicable law and shall apply notwithstanding anything to the contrary in the Plan.