

THERANOS, INC.
MINUTES OF A MEETING
OF THE BOARD OF DIRECTORS

Tuesday, August 10, 2010

Pursuant to notice duly given or waived, a regular meeting of the Board of Directors (the "Board") of Theranos, Inc., a Delaware corporation (the "Company"), was held on Tuesday, August 10, 2010, beginning at 8:30 a.m. (Pacific Time) at the Company Offices located at 3200 Hillview Avenue, Palo Alto, California. Present at all or parts of the meeting in person were directors Sunny Balwani, Elizabeth Holmes, Donald L. Lucas, Robert Shapiro, and T. Peter Thomas. Director Channing Robertson participated telephonically. Ms. Holmes was appointed to act as secretary of the meeting.

After stating that a quorum of the Board was present and that the meeting had been duly noticed and convened, Mr. Lucas called the meeting to order.

Approval of Minutes

The Board reviewed the minutes of the Board meetings held on March 2nd, 2010 and May 31st, 2010. After discussion and upon motion duly made and seconded, the following resolutions were adopted by all directors in attendance:

RESOLVED: That the minutes of the Board meeting held on March 2nd, 2010 are hereby approved as presented at the meeting.

FURTHER RESOLVED: That the minutes of the Board meeting held on May 31st, 2010 are hereby approved as presented at the meeting.

Review of Insurance Coverage

The Board then reviewed the Company's Insurance Policies and Coverage and discussed potential future increases in coverage over the course of the coming year.

Determination of Fair Market Value

The Board reviewed the fair market value of a share of the Company's common stock. The Company had previously reviewed the independent valuation report by Aranca dated June 21, 2010, analysing the fair market value of a share of the Company's Common Stock as of December 31, 2009 (the "Valuation Date") pursuant to Section 409A of the Internal Revenue Code, which fair market value was determined to be \$0.34 per share (the "Independent Valuation Report"). At the meeting, the Independent Valuation Report was discussed by the Board and the Board, having considered all available information material to the valuation of the Company's common stock, including the Independent Valuation Report, determined in good faith that the fair market value of one share of the Company's Common Stock was \$0.36 as of the Valuation Date, notwithstanding the \$0.34 per share valuation set forth in the Independent Valuation Report. In considering the current fair market value of the Company's common stock as of the date of this meeting, the Board determined in good faith that no material events affecting the Company have occurred since the Valuation Date. The Board also considered all of the available information it considered to be relevant in valuing the common stock of the Company including, but not limited to, (i) the value of the Company's tangible and intangible assets, (ii) the present value of anticipated future cash flows, (iii) the market value of similar companies engaged in a substantially similar business, particularly those which are at similar stages of development, and (iv) recent arm's length transactions involving the Company's common stock (of which there have

been none), and (v) all other factors and considerations the Board deemed relevant. Based on the above considerations, the Board determined that the fair market value of one share of the Company's common stock remained at \$0.36 per share as of the date of the meeting and since the Board's last determination of fair market value. The Board agreed to continue reviewing the valuation at each upcoming meeting or upon any material business transactions, and discussed doing another independent valuation.

Acknowledgement of Approval of Option Grants

The Board reviewed the CEO-approved employee option grants, attached hereto as Exhibit A (the "CEO-Approved Employee Option Grants"), and discussed the employee option grants granted by the CEO pursuant to her designated authority, as presented to the Board by the CEO, and acknowledged the grants of the CEO-Approved Employee Option Grants.

In accordance with the terms approved by the CEO, the CEO-Approved Employee Option Grants were granted under the Company's Amended and Restated 2004 Stock Plan (the "Stock Plan") and subject to a stock option agreement in the form previously approved, were granted as incentive stock options ("ISOs") to the maximum extent permitted by law or nonstatutory stock options ("NSOs") as indicated on Exhibit A, have a maximum term of ten (10) years, are scheduled to vest as set forth in Exhibit A, are early exercisable and subject to change of control provisions if so indicated on Exhibit A, and otherwise are subject to the standard terms and conditions as set forth in the standard form of stock option agreement (regular, unless early exercise is indicated on Exhibit A). The CEO-Approved Employee Option Grants were granted with an exercise price per

share equal to 100% of the fair market value as of each such option's grant date (as discussed and determined above).

Board Updates

The Board reviewed the Company's 2010 corporate goals and discussed performance against those goals.

Product Update

Ms. Holmes presented updates on Theranos products, including an overview of the technology portfolio and developments and advancements in supply chain, regulatory filings, operations and manufacturing. A full discussion ensued regarding scale up, technology advancements to mitigate key supply chain risks, and the procurement of additional facilities to support growth.

Commercial Overview

Ms. Holmes provided the Board with an overview of the Company's commercial operations. A full discussion ensued regarding a variety of topics, including the market opportunity, pricing, and commercial plans and partners. Ms. Holmes also provided the Board with an overview of the key deals in each business area and the magnitude and status of each. Questions were asked, and a full discussion ensued, including a detailed discussion around Theranos clients.

Finance Overview

Ms. Holmes reviewed with the Board the Company's finance operations, including the Company's cash management and planning, financials and financial

projections, staffing increases and a discussion around a potential share re-purchase, including review of a potential re-purchase and disclosure document. Questions were asked, and a full discussion ensued among the directors regarding this finance update.

Organization

Ms. Holmes updated the Board on the Company's organizational structure and hiring focus areas. The Board then discussed the hires and the company's plans for growth and staffing. Questions were asked and a discussion regarding these matters ensued, including a detailed discussion on the company's rapid growth plans and policies.

Legal Overview

Ms. Holmes reviewed with the Board the status of intellectual property filings and issuance, trademark status, and corporate structure. Ms. Holmes also reviewed the Company's confidentiality policy and policies around enforcement thereof. Finally, the Board further discussed Theranos' government affairs. A discussion ensued among the directors regarding this legal update.

Compensation

Ms. Holmes then reviewed the Company's current compensation matrices and policies for new hires and existing employees. The Board agreed to continue using the New Hire and Annual Review Option Grant Compensation Matrix attached to these Minutes as Exhibit B for the issuance of options to employees.

The board discussed issuing additional shares to employees on a performance basis going forward in recognition of progress.

Warrants

The board then discussed and approved the issuance of warrants to BlueCross BlueShield Venture Partners and Sandbox in the forms attached hereto as Exhibit C, respectively. Director Robert Shapiro abstained from all discussions and decisions relating to the BlueCross BlueShield Venture Partners and Sandbox. Upon a motion duly made and seconded, the Board (with Mr. Shapiro abstaining) adopted the following resolutions:

RESOLVED: That the officers of the Company be, and each of them hereby is, individually authorized and empowered to execute and deliver, in the name and on behalf of the Company, a warrant with each of BlueCross BlueShield Venture Partners and Sandbox in substantially the forms attached hereto as Exhibit C, respectively (each a "Warrant") and that the terms and conditions of the Warrants are hereby approved, with such changes as may be approved by any authorized officer, such approval to be conclusively evidenced by the execution and delivery of any Warrant by any such authorized officer.

FURTHER RESOLVED: That the Company be and hereby is authorized to issue the Warrants to BlueCross BlueShield Venture Partners and Sandbox to purchase up to 133,333 shares of common stock in the aggregate (subject to the vesting terms set forth in the Warrants), at the per share exercise price of \$0.36 and for the terms indicated therein, and that the authorized officers be, and each of them hereby is, individually authorized and directed to execute and deliver the Warrants.

FURTHER RESOLVED: That the Board hereby reserves 133,333 shares of common stock for issuance pursuant to the terms and conditions of the Warrants.

FURTHER RESOLVED: That the authorized officers and each of the responsible attorneys, paralegals and corporate assistants of Wilson Sonsini Goodrich & Rosati, counsel for the Company be, and each of them hereby is, authorized and directed to execute and submit on behalf of the Company, (i) a form of exemption notice, which may be filed electronically, with the California Department of Corporations in connection with the issuance of the Warrants and the underlying securities, and further authorized and directed to irrevocably appoint the California Commissioner of Corporations as agent for service of process for the Company in connection with the issuance of the Warrants and the underlying securities and (ii) any additional filings which may be required under applicable state or federal securities laws in connection with the issuance of such securities.

RESOLVED FURTHER: That the shares of the common stock to be issued upon exercise of the Warrants shall be duly and validly issued, fully paid and nonassessable when issued in accordance with the terms of the Warrants.

Additional Compensation Matters; Amendment of Bylaws

The Board then approved the addition of an operational title of President and COO for Sunny Balwani after discussing his performance and contributions and operational role. In conjunction with the performance review, the board agreed to issue a performance based option grant of 2% of the Company on a fully diluted basis, equal to 1,351,121 shares of Company common stock, as detailed on Exhibit D (the "Balwani Option"). The Balwani Option is granted under the Stock Plan and subject to a stock option agreement in the form previously approved, is granted as an incentive stock option

("ISO") to the maximum extent permitted by law or nonstatutory stock option ("NSO") as indicated on Exhibit D, has a maximum term of ten years, is scheduled to vest as set forth in Exhibit D, shall be early exercisable and subject to change of control provisions if so indicated on Exhibit D, and otherwise is subject to the standard terms and conditions as set forth in the standard form of stock option agreement (regular, unless early exercise is indicated on Exhibit D). The Balwani Option shall have an exercise price per share equal to 100% of the fair market value as of the date of such option's grant, which is the date hereof (as discussed and determined above).

The Board then underscored that the Bylaws were to be updated to reflect the fact that the duties formally associated with the title of President would now be associated with Ms. Holmes' current title of Chief Executive Officer. Upon motion duly made and seconded, the Board approved the Amended and Restated Bylaws in the form attached hereto as Exhibit E.

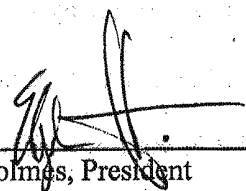
The Board then discussed the issuance of a grant to Ms. Holmes to be cemented at a future date following this meeting in recognition of accomplishments to date.

Executive Session

Ms. Holmes was excused from the meeting while the remaining directors met in Executive Session, after which Ms. Holmes rejoined the meeting.

Adjournment

There being no further business to come before the Board, the meeting was duly adjourned.



Elizabeth Holmes, President

EXHIBIT A

CEO-Approved Option Grants

Theranos Confidential

EXHIBIT B

New Hire and Annual Review Option Grant Compensation Matrix

Theranos Confidential

WRITTEN CONSENT OF THE PRESIDENT AND CEO OF THERANOS, INC.**Stock Option Grant under the Amended and Restated 2004 Stock Plan**

The undersigned, the President and Chief Executive Officer (the "CEO") of Theranos, Inc., a Delaware corporation (the "Company"), hereby adopts the following resolutions:

WHEREAS, the Compensation Committee (the "Committee") of the Board of Directors of the Company (the "Board") authorized the President and CEO of the Company to grant stock options to employees and consultants under the Amended and Restated 2004 Stock Plan (the "Plan") within the parameters set by the Committee;

WHEREAS, the CEO hereby determines it to be in the best interests of the Company and its stockholders to grant to each individual identified in Exhibit A (each an "Optionee"), an option to purchase shares of the common stock ("Common Stock") of the Company ("Option") pursuant to the terms of the Plan;

WHEREAS, the Committee last determined that the fair market value of a share of the Company's common stock on such date was \$0.36; and

WHEREAS, the CEO is not aware of any material events affecting the Company since the date the Committee last determined the fair market value of a share of Common Stock, and therefore believes in good faith that the fair market value of a share of Company Common Stock remains \$0.36 as of the date hereof.

NOW THEREFORE BE IT RESOLVED: That, effective as of date of this Consent, the CEO hereby grants to each Optionee identified in Exhibit A an Option under the Plan to purchase the number of shares of Common Stock of the Company indicated next to such Optionee's name, subject to the terms and conditions of the standard form of Stock Option Agreement previously approved for use in connection with the Plan, as appropriately modified to reflect the terms and conditions set forth herein

RESOLVED FURTHER: That, unless indicated otherwise in Exhibit A, the Option shall have a maximum term of ten (10) years (subject to earlier termination following the Optionee's ceasing to be a Service Provider or as otherwise provided by the Plan).

RESOLVED FURTHER: That the CEO hereby determines that the Options shall have the vesting commencement date and vesting schedule as shown on Exhibit A, and shall be early exercisable and subject to change of control provisions, if so indicated on Exhibit A.

RESOLVED FURTHER: That the Options granted shall be either incentive stock options ("ISO") to the maximum extent permitted under Section 422 of the Internal Revenue Code of 1986, as amended, or nonstatutory stock options ("NSO"), as indicated on Exhibit A.

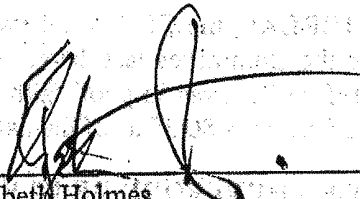
RESOLVED FURTHER: That the CEO hereby determines that each Option shall have a per share exercise price equal to the fair market value of a share of the Company's Common Stock as of the date hereof, which has been determined to be \$0.36.

RESOLVED FURTHER: That any of the appropriate officers of the Company be, and each of them hereby is, authorized to take such other actions, in the name and on behalf of the Company, as each such officer, in his or her discretion, shall deem necessary or advisable to complete and effect the foregoing transactions or to carry out the intent and purposes of the foregoing resolutions and the transactions contemplated thereby, the preparation, execution, and delivery of any such agreements, amendments, applications, approvals, certificates, communications, consents, demands, directions, documents, further assurances, instruments, notices, orders, requests, resolutions, supplements or undertakings, the payment of any such costs or expenses and the performance of any such other acts shall be conclusive evidence of the approval of the Committee thereof and all matters relating thereto.

RESOLVED FURTHER: That all actions heretofore taken by the officers and directors of the Company with respect to the foregoing transactions and all other matters contemplated by the foregoing resolutions are hereby approved, adopted, ratified and confirmed.

IN WITNESS WHEREOF, the undersigned has executed this Consent as of the date set forth below.

Date: June 24, 2010



Name: Elizabeth Holmes
Title: President and CEO of the Company

Exhibit A

CEO-Recommended Employee Option Grants

Employee Name	Position	Number of Shares Subject to Option	Option Type (NSO/ISO)	Vesting Commencement Date	Vesting Schedule	Early Exercise (Y/N)	Change of Control Protection (Y/N)	Maximum Term
Sukhdev Bainiwal	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
Paula Chaltas	Employee	2,500	ISO	1/19/10	Standard**	Y	N	10 years
Sally Chan	Employee	1,200	ISO	1/1/10	Standard**	N	N	10 years
Anthony Delacruz	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
Andrew Drake	Employee	1,500	ISO	1/1/10	Standard**	N	N	10 years
Jeff Fenton	Employee	1,000	ISO	1/1/10	Standard**	N	N	10 years
Ian Gibbons	Employee	10,000	ISO	1/1/10	Standard**	Y	Y	10 years
Loren Hart	Employee	2,500	ISO	1/1/10	Standard**	N	N	10 years
Arvind Jammalamadaka	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
Sandhiya Kaippa	Employee	2,500	ISO	1/1/10	Standard**	N	N	10 years
Timothy Kemp	Employee	25,000	ISO	1/1/10	Standard**	Y	Y	10 years
Medei Kitagaki	Employee	4,000	ISO	1/1/10	Standard**	N	N	10 years
Nathan Lortz	Employee	1,200	ISO	1/1/10	Standard**	N	N	10 years
So Ngan Sarah Ly	Employee	1,200	ISO	1/1/10	Standard**	N	N	10 years
Dave Nelson	Employee	2,000	ISO	1/1/10	Standard**	N	N	10 years
Chinmay Pangarkar	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
Kenneth Quon	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
Michael Siegel	New Hire	7,500	ISO	6/15/2010	Standard**	N	N	10 years
Viet Tuan Bach Tran	Employee	3,000	ISO	1/1/10	Standard**	N	N	10 years
Don Vu	Employee	5,000	ISO	1/1/10	Standard**	N	N	10 years
So Han Danise Yam	Employee	5,000	ISO	1/1/10	Standard**	Y	Y	10 years

* Options designated as ISOs are intended to be ISOs to the maximum extent permitted by applicable U.S. law; the remainder shall be NSOs.

** The "standard" vesting schedule shall be: twenty-five percent (25%) of the shares subject to the Option shall vest on the one (1) year anniversary of the Vesting Commencement Date, and one forty-eighth (1/48th) of the shares subject to the Option shall vest each month thereafter on the same day of the month as the Vesting Commencement Date (and if there is no corresponding day, on the last day of the month), subject to Participant continuing to be a "Service Provider" (as defined in the Amended and Restated 2004 Stock Plan) through each such date.

EXHIBIT C

Form of BlueShield Venture Partners and Sandbox Warrants

Theranos Confidential

EXHIBIT D

Option Grants

Theranos Confidential

Exhibit D
Option Grants
missing
(Belwani Option)

EXHIBIT C

THIS WARRANT AND THE SHARES OF EQUITY SECURITIES THAT MAY BE PURCHASED PURSUANT TO THE EXERCISE OF THIS WARRANT HAVE BEEN ACQUIRED SOLELY FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH SALE, OFFER, PLEDGE OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF THE ACT AND OF ANY APPLICABLE STATE SECURITIES LAWS UNLESS SOLD PURSUANT TO RULE 144 OF THE ACT.

Dated as of August 10, 2010
Void after July 31, 2015

ThERANOS, INC.

COMMON STOCK PURCHASE WARRANT

THIS CERTIFIES THAT BlueCross Blue Shield Venture Partners, L.P. ("**BCBSVP**" and, together with its permitted assignees, the "**Holder**") is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase (subject to Section 1 and Section 10 hereof) up to a total of 113,333 (subject to adjustment pursuant to Section 4 hereof) of the fully paid and nonassessable Common Stock, par value \$0.0001 per share (the "**Shares**"), of Theranos, Inc., a Delaware corporation (the "**Company**"), at the per share price of \$0.36 (the "**Exercise Price**") (subject to adjustment pursuant to Section 4 hereof), subject to the provisions and upon the terms and conditions hereinafter set forth. For purposes of this Warrant, BCBSVP and Sandbox Co-Investment Fund I, L.P. ("**Sandbox**") are collectively referred to as the "**Consultants**."

This Common Stock Purchase Warrant (this "**Warrant**") is the compensation the Company agreed to provide to the Holder in the parties' July 30, 2010 Consulting Agreement ("**Consulting Agreement**") in exchange for Holder's services rendered pursuant thereto ("**Services**"). The Services include, but are not limited to the following: Holder and the Company shall use good faith efforts to identify and target contracts between the company and BlueCross BlueShield Association ("**BCBSA**"), and or BlueCross BlueShield Association licensees ("**Plans**"), or their affiliates and/or subsidiaries (collectively with BCBSA and Plans, the "**Blue Plans**" and each a "**Blue Plan**"), on a preferred pricing basis, targeting signed contracts from the date of execution through December 31, 2011.

1. Vesting Schedule. Only Shares which have vested ("Vested Shares") may be purchased pursuant to the exercise of this Warrant. The purchase rights represented by this Warrant shall be exercisable, in whole or in part, according to the following vesting schedule (but shall in no event be exercisable after the expiration of the Warrant as provided in Section 10 hereof):

(a) 28,333 Shares will vest at the conclusion of three meetings between the Company and one or more of the Blue Plans to discuss claims adjudication and adoption of real-time billing and reimbursement software and services. Such meetings shall be arranged by the Consultants.

(b) 28,333 Shares will vest upon the execution by the Company and either Consultant or BCBSA of a national preferred price laboratory contract (the "National Agreement") in which Blue Plans can participate on a voluntary basis;

(c) 28,333 Shares will vest, at the rate of ten percent (10%) of these 28,333 Shares per contract, upon each Blue Plan joining the National Agreement or otherwise executing a contract with the Company. For example, if two Blue Plans join the National Agreement, twenty percent (20%) of these 28,333 will vest; and

(d) The remaining 28,334 Shares will vest at the rate of fifty percent (50%) of these 28,334 Shares upon (i) establishment of at least two (2) contracts across at least two (2) Plans for pilot and deployment of Theranos Systems in at least 250 physicians' offices per Plan by the end of 2011 and the remaining fifty percent (50%) upon (ii) establishment of at least ten (10) additional contracts across at least ten (10) plan for pilot and deployment of Theranos Systems in at least 250 physicians' offices per Plan by the end of 2012.

(e) Upon the earliest "Acceleration Event," all Shares which have then not already vested in accordance with the terms set forth above shall immediately vest in full. An "Acceleration Event" means any of the following: (i) termination of the Consulting Agreement by the Company for reasons other than for breach of the Consulting Agreement; (ii) a "Reorganization," "Recapitalization," "Qualified IPO," or "Automatic Conversion Event" (each as defined in the Company's Amended and Restated Certificate of Incorporation in effect as of the effective date of the Consulting Agreement), or (iii) the Company's liquidation, dissolution or winding up.

2. Method of Exercise; Payment.

(a) Cash Exercise. Subject to Section 10 hereof, the purchase rights represented by this Warrant may be exercised by the Holder from time to time, in whole or in part, with respect to Vested Shares by the surrender of this Warrant (with the Notice of Exercise form attached hereto as **Exhibit A** and the Investment Representation Statement attached hereto as **Exhibit B**, each duly executed) at the principal office of the Company, and by payment to the Company, by certified, cashier's or other check acceptable to the Company, by wire transfer in accordance with the Company's instructions, or by any other form of payment acceptable to the Company and Holder, of an amount equal to the aggregate Exercise Price of the Vested Shares being purchased.

(b) Net Issue Exercise.

(i) In lieu of exercising this Warrant with respect to Vested Shares pursuant to Section 2(a) above, and subject to Section 10 hereof, the Holder may elect to receive Shares equal to the value of the Vested Shares (or the portion thereof being cancelled) by surrender of this Warrant at the principal office of the Company together with notice of such election, in which event the Company shall issue to the Holder a number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}, \text{ where}$$

X = the number of Shares to be issued to the Holder.

Y = the number of Vested Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being cancelled (at the date of such calculation).

A = the Fair Market Value of one Share (at the date of such calculation).

B = the Exercise Price (as adjusted to the date of such calculation).

(ii) Fair Market Value. For purposes of this Section 2, the Fair Market Value of one Share shall be determined by the Company's Board of Directors in good faith; *provided, however,* that where there exists a public market for the Company's Common Stock at the time of such exercise, the fair market value per Share shall be the average of the closing bid and asked prices of the Common Stock quoted in the Over-The-Counter Market Summary or the last reported sale price of the Common Stock or the closing price quoted on any exchange on which the Common Stock is listed, as published in *The Wall Street Journal* for the five (5) trading days prior to the date of determination of Fair Market Value or as reported by such other independent sources as the Company's Board of Directors agree may deem reliable with the consent of Holder, not to be unreasonably withheld. Notwithstanding the foregoing, in the event the Warrant is exercised in connection with the Company's initial public offering of Common Stock ("**IPO**") pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "**Securities Act**"), the Fair Market Value per Share shall be the per share offering price to the public of the Company's IPO.

(c) Stock Certificates; Tax Reporting. In the event of any exercise of the rights represented by this Warrant, certificates for the Shares so purchased shall be delivered to the Holder within a reasonable time and, unless the Warrant has been fully exercised or this Warrant has expired, a new Warrant representing the shares with respect to which this Warrant shall not have been exercised shall also be issued to the Holder within such time. The Company will report any income related to the Holder's exercise of the Warrant to the extent the Company determines that such reporting is required by applicable law.

3. Stock Fully Paid; Reservation of Shares. All of the Shares issuable upon the exercise of the rights represented by this Warrant will, upon issuance and receipt of the Exercise Price

therefor, be fully paid and nonassessable. During the period within which the rights represented by this Warrant may be exercised, the Company shall at all times have authorized and reserved for issuance sufficient Shares to provide for the exercise of the rights represented by this Warrant.

4. Adjustment of Exercise Price and Number of Shares. The number and kind of securities purchasable upon the exercise of this Warrant and the Exercise Price therefor shall be subject to adjustment from time to time upon the occurrence as follows:

(a) Merger. If at any time there shall be a merger or consolidation of the Company with or into another corporation where the Company is not the surviving corporation, then, as a part of such merger or consolidation, lawful provision shall be made so that the Holder of this Warrant shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the aggregate Exercise Price then in effect, the number of shares of stock or other securities or property of the successor corporation resulting from such merger or consolidation, to which a holder of the stock deliverable upon exercise of this Warrant would have been entitled in such merger or consolidation if this Warrant had been exercised immediately before such merger or consolidation. In any such case, appropriate adjustment shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the merger or consolidation.

(b) Reclassification, etc. If the Company shall, at any time, by subdivision, combination, or reclassification of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, the Exercise Price shall be adjusted such that this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such subdivision, combination, reclassification or other change.

(c) Split, Subdivision, Dividends or Combination of Shares. If the Company at any time while this Warrant remains outstanding and unexpired shall split, subdivide or combine the securities as to which purchase rights under this Warrant exist (including the issuance of additional shares of Common by way of a stock dividend), the number of Shares shall be proportionately increased and the Exercise Price shall be proportionately decreased in the case of a split or subdivision, and the number of Shares shall be proportionately decreased and the Exercise Price shall be proportionately increased in the case of a combination.

5. Notices of Adjustments. Whenever the number of Shares or kind of securities purchasable hereunder or the Exercise Price thereof shall be adjusted pursuant to Section 4 hereof, the Company shall provide notice to the Holder of this Warrant setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the number of Shares which may be purchased and the Exercise Price therefor after giving effect to such adjustment.

6. Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the Warrant. In lieu of any fractional share to which the Holder would otherwise be entitled, the Holder shall be entitled, at its option, to receive either (i) a cash payment

equal to the excess of the fair market value for such fractional share above the Exercise Price for such fractional share (as mutually determined by the Company and the Holder) or (ii) a whole share if the Holder tenders the Exercise Price for one whole share.

7. Transfer, Exchange, Assignment, or Loss of Warrant.

(a) This Warrant may not be assigned or transferred except as provided in this Section 7 and in accordance with and subject to the provisions of the Securities Act and the Rules and Regulations promulgated thereunder. Any purported transfer or assignment made other than in accordance with this Section 7 shall be null and void and of no force or effect.

(b) Prior to any transfer of this Warrant, the Holder shall notify the Company of its intention to effect such transfer, indicating the circumstances of the proposed transfer and, upon request, furnish the Company with an opinion of its counsel, in form and substance reasonably satisfactory to counsel for the Company, to the effect that the proposed transfer may be made without registration under the Securities Act or qualification under any applicable state securities laws. The Company will promptly notify the Holder if the opinion of counsel furnished to the Company is reasonably satisfactory to counsel for the Company. Unless the Company notifies the Holder within ten (10) business days after its receipt of such opinion that such opinion is not reasonably satisfactory to counsel for the Company, the Holder may proceed to effect the transfer.

(c) Unless a registration statement under the Securities Act is effective with respect to the Shares issued upon exercise of this Warrant, the certificate representing such Shares shall bear the following legends, in addition to any legend imposed by applicable state securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

(d) Any assignment permitted hereunder shall be made by surrender of this Warrant to the Company at its principal office with the Assignment Form attached hereto as

Exhibit C duly executed. In such event, the Company shall, without charge for any issuance or transfer tax or other cost incurred by the Company with respect to such transfer, execute and deliver a new Warrant in the name of the assignee named in such instrument of assignment, and this Warrant shall be promptly cancelled.

(e) Upon receipt by the Company of satisfactory evidence of loss, theft, destruction, or mutilation of this Warrant and of indemnity satisfactory to the Company, and upon surrender and cancellation of this Warrant, if mutilated, the Company will execute and deliver a new Warrant of like tenor and date and any such lost, stolen, or destroyed Warrant shall thereupon become void.

8. No Rights as Stockholders. This Warrant does not entitle the Holder hereof to any voting rights, dividend rights, or other rights as a stockholder of the Company prior to the exercise hereof.

9. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday on which banks in the State of California are closed for business, then such action may be taken or such right may be exercised on the next succeeding day not a Saturday or a Sunday or a legal holiday.

10. Exercisability; Expiration of Warrant. This Warrant shall be exercisable at the option of the Holder at any time or from time to time, but shall expire and shall no longer be exercisable after at 5:00 p.m., local time in Palo Alto, California, on July 31, 2015.

11. Miscellaneous.

(a) Successors and Assigns. This Warrant shall not be assignable by the Holder except in accordance with Section 7. This Warrant shall be binding upon any successors or assigns of the Company.

(b) Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflict of laws provisions thereof.

(c) Attorney's Fees. In any litigation, arbitration, or court proceeding between the Company and the Holder relating hereto, the prevailing party shall be entitled to reasonable attorneys' fees and expenses incurred in enforcing this Warrant.

(d) Market Stand-off Agreement. The Holder hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "Company's IPO"), such Holder shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by such Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an

underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 11(d) shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 7(c) hereof with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

(e) Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of both parties.

(f) Loss of Warrant. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Company at the Holder's expense will execute and deliver to the holder of record, in lieu thereof, a new Warrant of like date and tenor.

(g) Notice. Any notices required or permitted by this Warrant shall be made in writing and shall be deemed given if delivered personally, or by commercial messenger or courier service, or mailed by U.S. registered or certified mail (return receipt requested), or sent via facsimile (with receipt of confirmation of complete transmission) to a party at the party's address or facsimile number set forth below or at such other address or facsimile number as the party may have previously specified by like notice. If by mail, delivery shall be deemed effective four (4) business days after mailing in accordance with this Section 11(g).

Theranos, Inc.
3200 Hillview Avenue
Palo Alto, CA 94304
Tel: (650) 838-9292
Attn: Elizabeth Holmes
President and CEO

BlueCross BlueShield Venture Partners, L.P.
225 North Michigan Avenue
Chicago, Illinois 60601
Tel: (312) 297-6025
Attn: Paul Brown, Managing Director

(h) Entire Agreement; Construction. This Warrant constitutes the full and entire agreement between the parties with respect to the subject matter hereof and supersedes and cancels any and all prior agreements, undertakings, or understandings with respect to the subject matter hereof. Should any provision of this Warrant be held invalid or unenforceable, the remaining provisions shall be valid, and a valid provision shall be presumed agreed by the parties such that the rights and obligations set forth herein shall be enforceable to the maximum extent possible to preserve the intent of this Warrant.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Common Stock Purchase Warrant to be executed by its officer thereunto duly authorized as of the date first above written.

THERANOS, INC.

By: _____

Name: _____

Title: _____

Acknowledged and Agreed:

BLUECROSS BLUESHIELD VENTURE PARTNERS, L.P.

By: _____

Name: _____

Title: _____

[Signature Page to Theranos, Inc. Common Stock Purchase Warrant]

EXHIBIT A
NOTICE OF EXERCISE

NOTICE OF EXERCISE
COMMON STOCK PURCHASE WARRANT

To: THERANOS, INC.

1. The undersigned hereby elects to purchase _____ shares of Common Stock ("**Stock**") of Theranos, Inc. (the "**Company**") pursuant to the terms of the attached Common Stock Purchase Warrant (the "**Warrant**"), and tenders herewith payment of the aggregate exercise price therefor and any transfer taxes payable pursuant to the terms of the Warrant, together with an Investment Representation Statement in form and substance satisfactory to legal counsel to the Company.

[or]

1. The undersigned hereby elects to convert the attached Common Stock Purchase Warrant (the "**Warrant**") into _____ shares of Common Stock ("**Stock**") of Theranos, Inc. (the "**Company**") in the manner specified in the Warrant and tenders herewith an Investment Representation Statement in form and substance satisfactory to legal counsel to the Company.

[Strike paragraph that does not apply.]

2. The shares of Stock to be received by the undersigned upon exercise of the Warrant are being acquired for its own account, not as a nominee or agent, and not with a view to resale or distribution of any part thereof, and the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the same. The undersigned further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to the Stock. The undersigned believes it has received all the information it considers necessary or appropriate for deciding whether to purchase the Stock.

3. The undersigned understands that the shares of Stock are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in transactions not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act of 1933, as amended (the "**Securities Act**"), only in certain limited circumstances. In this connection, the undersigned represents that it is familiar with Rule 144 promulgated under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

4. The undersigned hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "**Company's IPO**"), the undersigned shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by the undersigned (other than those included in the registration) during the one hundred eighty (180) day period

following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 4 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 5 hereof with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

5. The undersigned understands the instruments evidencing the Stock may bear the following legends, in addition to any legend required by applicable state securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

[Signature page follows]

IN WITNESS WHEREOF, the Warrantholder has executed this Notice of Exercise effective this
____ day of _____, 20 ____.

WARRANTHOLDER

By: _____

Name: _____

Title: _____

[NOTICE OF EXERCISE OF THERANOS, INC. COMMON STOCK PURCHASE WARRANT]

EXHIBIT B

INVESTMENT REPRESENTATION STATEMENT

INVESTMENT REPRESENTATION STATEMENT

PURCHASER : _____
COMPANY : THERANOS, INC.
SECURITIES : THE WARRANT ISSUED ON AUGUST 10, 2010 (THE
"WARRANT") AND THE SECURITIES ISSUED OR ISSUABLE
UPON EXERCISE THEREOF
DATE : _____

In connection with the purchase of the above-listed Securities, the undersigned Purchaser represents to the Company the following:

(a) The undersigned is sufficiently aware of the Company's business affairs and financial condition to reach an informed and knowledgeable decision to acquire the Securities. The undersigned is purchasing these Securities for its own account for investment purposes only and not with a view to, or for the resale in connection with, any "distribution" thereof for purposes of the Securities Act of 1933, as amended (the "Securities Act").

(b) The undersigned understands that the Securities have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of its investment intent as expressed herein.

(c) The undersigned further understands that the Securities must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from registration is otherwise available (such as Rule 144 under the Securities Act). Moreover, the undersigned understands that the Company is under no obligation to register the Securities. In addition, the undersigned understands that the certificate evidencing the Securities may be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) The undersigned is familiar with the provisions of Rule 144, promulgated under the Securities Act, which, in substance, permits limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form

144 notice, if applicable. There can be no assurances that the requirements of Rule 144 will be met, or that the Securities will ever be saleable.

(e) The undersigned further understands that at the time the undersigned wishes to sell the Securities there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public information requirements of Rule 144, and that, in such event, the undersigned may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied.

(f) The undersigned further understands that, notwithstanding the fact that Rule 144 is not exclusive, the Staff of the SEC has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

Signature of Purchaser:

By: _____

Name: _____

Title: _____

EXHIBIT C

ASSIGNMENT FORM

ASSIGNMENT FORM

ASSIGNOR: _____
COMPANY: THERANOS, INC.
WARRANT: THE WARRANT TO PURCHASE SHARES OF COMMON STOCK
ISSUED ON AUGUST 10, 2010 (THE "WARRANT")
DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant ("Assignor") assigns and transfers to the assignee named below ("Assignee") all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Theranos, Inc., maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (the "Securities") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same.
- (4) **Investment Representation Statement.** Assignee has executed, and delivers herewith, an Investment Representation Statement in a form substantially similar to the form attached to the Warrant as Exhibit B.
- (5) **Market Stand-Off Agreement.** The undersigned hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "Company's IPO"), the undersigned shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the

purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by the undersigned (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 5 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the following with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

[Signature page follows]

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

THIS WARRANT AND THE SHARES OF EQUITY SECURITIES THAT MAY BE PURCHASED PURSUANT TO THE EXERCISE OF THIS WARRANT HAVE BEEN ACQUIRED SOLELY FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY STATE SECURITIES LAWS. SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF SUCH REGISTRATION OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH SALE, OFFER, PLEDGE OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF THE ACT AND OF ANY APPLICABLE STATE SECURITIES LAWS UNLESS SOLD PURSUANT TO RULE 144 OF THE ACT.

Dated as of August 10, 2010
Void after July 31, 2015

ThERANOS, INC.

COMMON STOCK PURCHASE WARRANT

THIS CERTIFIES THAT Sandbox Co-Investment Fund I, L.P. ("Sandbox" and, together with its permitted assignees, the "Holder") is entitled, upon the terms and subject to the conditions hereinafter set forth, to subscribe for and purchase (subject to Section 1 and Section 10 hereof) up to a total of 20,000 (subject to adjustment pursuant to Section 4 hereof) of the fully paid and nonassessable Common Stock, par value \$0.0001 per share (the "Shares"), of Theranos, Inc., a Delaware corporation (the "Company"), at the per share price of \$0.36 (the "Exercise Price") (subject to adjustment pursuant to Section 4 hereof), subject to the provisions and upon the terms and conditions hereinafter set forth. For purposes of this Warrant, Sandbox and BlueCross Blue Shield Venture Partners, L.P. ("BCBSVP") are collectively referred to as the "Consultants."

This Common Stock Purchase Warrant (this "Warrant") is the compensation the Company agreed to provide to the Holder in the parties' July 30, 2010 Consulting Agreement ("Consulting Agreement") in exchange for Holder's services rendered pursuant thereto ("Services"). The Services include, but are not limited to the following: Holder and the Company shall use good faith efforts to identify and target contracts between the company and BlueCross BlueShield Association ("BCBSA"), and or BlueCross BlueShield Association licensees ("Plans"), or their affiliates and/or subsidiaries (collectively with BCBSA and Plans, the "Blue Plans" and each a "Blue Plan"), on a preferred pricing basis, targeting signed contracts from the date of execution through December 31, 2011.

1. Vesting Schedule. Only Shares which have vested ("Vested Shares") may be purchased pursuant to the exercise of this Warrant. The purchase rights represented by this Warrant shall be exercisable, in whole or in part, according to the following vesting schedule (but shall in no event be exercisable after the expiration of the Warrant as provided in Section 10 hereof):

(a) 5,000 Shares will vest at the conclusion of three meetings between the Company and one or more of the Blue Plans to discuss claims adjudication and adoption of real-time billing and reimbursement software and services. Such meetings shall be arranged by the Consultants.

(b) 5,000 Shares will vest upon the execution by the Company and either Consultant or BCBSA of a national preferred price laboratory contract (the "National Agreement") in which Blue Plans can participate on a voluntary basis;

(c) 5,000 Shares will vest, at the rate of ten percent (10%) of these 5,000 Shares per contract, upon each Blue Plan joining the National Agreement or otherwise executing a contract with the Company. For example, if two Blue Plans join the National Agreement, twenty percent (20%) of these 5,000 will vest; and

(d) The remaining 5,000 Shares will vest at the rate of fifty percent (50%) of these 5,000 Shares upon (i) establishment of as least two (2) contracts across as least two (2) Plans for pilot and deployment of Theranos Systems in as least 250 physicians' offices per Plan by the end of 2011 and the remaining fifty percent (50%) upon (ii) establishment of at least ten (10) additional contracts across at least ten (10) plan for pilot and deployment of Theranos Systems in at least 250 physicians' offices per Plan by the end of 2012.

(e) Upon the earliest "Acceleration Event," all Shares which have then not already vested in accordance with the terms set forth above shall immediately vest in full. An "Acceleration Event" means any of the following: (i) termination of the Consulting Agreement by the Company for reasons other than for breach of the Consulting Agreement; (ii) a "Reorganization," "Recapitalization," "Qualified IPO," or "Automatic Conversion Event" (each as defined in the Company's Amended and Restated Certificate of Incorporation in effect as of the effective date of the Consulting Agreement), or (iii) the Company's liquidation, dissolution or winding up.

2. Method of Exercise; Payment.

(a) Cash Exercise. Subject to Section 10 hereof, the purchase rights represented by this Warrant may be exercised by the Holder from time to time, in whole or in part, with respect to Vested Shares by the surrender of this Warrant (with the Notice of Exercise form attached hereto as **Exhibit A** and the Investment Representation Statement attached hereto as **Exhibit B**, each duly executed) at the principal office of the Company, and by payment to the Company, by certified, cashier's or other check acceptable to the Company, by wire transfer in accordance with the Company's instructions, or by any other form of payment acceptable to the Company and Holder, of an amount equal to the aggregate Exercise Price of the Vested Shares being purchased.

(b) Net Issue Exercise.

(i) In lieu of exercising this Warrant with respect to Vested Shares pursuant to Section 2(a) above, and subject to Section 10 hereof, the Holder may elect to receive Shares equal to the value of the Vested Shares (or the portion thereof being cancelled) by surrender of this Warrant at the principal office of the Company together with notice of such election, in which event the Company shall issue to the Holder a number of Shares computed using the following formula:

$$X = \frac{Y(A-B)}{A}, \text{ where}$$

- X = the number of Shares to be issued to the Holder.
- Y = the number of Vested Shares purchasable under this Warrant or, if only a portion of the Warrant is being exercised, the portion of the Warrant being cancelled (at the date of such calculation).
- A = the Fair Market Value of one Share (at the date of such calculation).
- B = the Exercise Price (as adjusted to the date of such calculation).

(ii) Fair Market Value. For purposes of this Section 2, the Fair Market Value of one Share shall be determined by the Company's Board of Directors in good faith; *provided, however*, that where there exists a public market for the Company's Common Stock at the time of such exercise, the fair market value per Share shall be the average of the closing bid and asked prices of the Common Stock quoted in the Over-The-Counter Market Summary or the last reported sale price of the Common Stock or the closing price quoted on any exchange on which the Common Stock is listed, as published in *The Wall Street Journal* for the five (5) trading days prior to the date of determination of Fair Market Value or as reported by such other independent sources as the Company's Board of Directors agree may deem reliable with the consent of Holder, not to be unreasonably withheld. Notwithstanding the foregoing, in the event the Warrant is exercised in connection with the Company's initial public offering of Common Stock ("IPO") pursuant to an effective registration statement under the Securities Act of 1933, as amended (the "Securities Act"), the Fair Market Value per Share shall be the per share offering price to the public of the Company's IPO.

(c) Stock Certificates; Tax Reporting. In the event of any exercise of the rights represented by this Warrant, certificates for the Shares so purchased shall be delivered to the Holder within a reasonable time and, unless the Warrant has been fully exercised or this Warrant has expired, a new Warrant representing the shares with respect to which this Warrant shall not have been exercised shall also be issued to the Holder within such time. The Company will report any income related to the Holder's exercise of the Warrant to the extent the Company determines that such reporting is required by applicable law.

3. Stock Fully Paid; Reservation of Shares. All of the Shares issuable upon the exercise of the rights represented by this Warrant will, upon issuance and receipt of the Exercise Price

therefor, be fully paid and nonassessable. During the period within which the rights represented by this Warrant may be exercised, the Company shall at all times have authorized and reserved for issuance sufficient Shares to provide for the exercise of the rights represented by this Warrant.

4. Adjustment of Exercise Price and Number of Shares. The number and kind of securities purchasable upon the exercise of this Warrant and the Exercise Price therefor shall be subject to adjustment from time to time upon the occurrence as follows:

(a) Merger. If at any time there shall be a merger or consolidation of the Company with or into another corporation where the Company is not the surviving corporation, then, as a part of such merger or consolidation, lawful provision shall be made so that the Holder of this Warrant shall thereafter be entitled to receive upon exercise of this Warrant, during the period specified herein and upon payment of the aggregate Exercise Price then in effect, the number of shares of stock or other securities or property of the successor corporation resulting from such merger or consolidation, to which a holder of the stock deliverable upon exercise of this Warrant would have been entitled in such merger or consolidation if this Warrant had been exercised immediately before such merger or consolidation. In any such case, appropriate adjustment shall be made in the application of the provisions of this Warrant with respect to the rights and interests of the Holder after the merger or consolidation.

(b) Reclassification, etc. If the Company shall, at any time, by subdivision, combination, or reclassification of securities or otherwise, change any of the securities as to which purchase rights under this Warrant exist into the same or a different number of securities of any other class or classes, the Exercise Price shall be adjusted such that this Warrant shall thereafter represent the right to acquire such number and kind of securities as would have been issuable as the result of such change with respect to the securities which were subject to the purchase rights under this Warrant immediately prior to such subdivision, combination, reclassification or other change.

(c) Split, Subdivision, Dividends or Combination of Shares. If the Company at any time while this Warrant remains outstanding and unexpired shall split, subdivide or combine the securities as to which purchase rights under this Warrant exist (including the issuance of additional shares of Common by way of a stock dividend), the number of Shares shall be proportionately increased and the Exercise Price shall be proportionately decreased in the case of a split or subdivision, and the number of Shares shall be proportionately decreased and the Exercise Price shall be proportionately increased in the case of a combination.

5. Notices of Adjustments. Whenever the number of Shares or kind of securities purchasable hereunder or the Exercise Price thereof shall be adjusted pursuant to Section 4 hereof, the Company shall provide notice to the Holder of this Warrant setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the number of Shares which may be purchased and the Exercise Price therefor after giving effect to such adjustment.

6. Fractional Shares. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of the Warrant. In lieu of any fractional share to which the Holder would otherwise be entitled, the Holder shall be entitled, at its option, to receive either (i) a cash payment

equal to the excess of the fair market value for such fractional share above the Exercise Price for such fractional share (as mutually determined by the Company and the Holder) or (ii) a whole share if the Holder tenders the Exercise Price for one whole share.

7. Transfer, Exchange, Assignment, or Loss of Warrant.

(a) This Warrant may not be assigned or transferred except as provided in this Section 7 and in accordance with and subject to the provisions of the Securities Act and the Rules and Regulations promulgated thereunder. Any purported transfer or assignment made other than in accordance with this Section 7 shall be null and void and of no force or effect.

(b) Prior to any transfer of this Warrant, the Holder shall notify the Company of its intention to effect such transfer, indicating the circumstances of the proposed transfer and, upon request, furnish the Company with an opinion of its counsel, in form and substance reasonably satisfactory to counsel for the Company, to the effect that the proposed transfer may be made without registration under the Securities Act or qualification under any applicable state securities laws. The Company will promptly notify the Holder if the opinion of counsel furnished to the Company is reasonably satisfactory to counsel for the Company. Unless the Company notifies the Holder within ten (10) business days after its receipt of such opinion that such opinion is not reasonably satisfactory to counsel for the Company, the Holder may proceed to effect the transfer.

(c) Unless a registration statement under the Securities Act is effective with respect to the Shares issued upon exercise of this Warrant, the certificate representing such Shares shall bear the following legends, in addition to any legend imposed by applicable state securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

(d) Any assignment permitted hereunder shall be made by surrender of this Warrant to the Company at its principal office with the Assignment Form attached hereto as

Exhibit C duly executed. In such event, the Company shall, without charge for any issuance or transfer tax or other cost incurred by the Company with respect to such transfer, execute and deliver a new Warrant in the name of the assignee named in such instrument of assignment, and this Warrant shall be promptly cancelled.

(e) Upon receipt by the Company of satisfactory evidence of loss, theft, destruction, or mutilation of this Warrant and of indemnity satisfactory to the Company, and upon surrender and cancellation of this Warrant, if mutilated, the Company will execute and deliver a new Warrant of like tenor and date and any such lost, stolen, or destroyed Warrant shall thereupon become void.

8. No Rights as Stockholders. This Warrant does not entitle the Holder hereof to any voting rights, dividend rights, or other rights as a stockholder of the Company prior to the exercise hereof.

9. Saturdays, Sundays, Holidays, etc. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall be a Saturday or a Sunday or shall be a legal holiday on which banks in the State of California are closed for business, then such action may be taken or such right may be exercised on the next succeeding day not a Saturday or a Sunday or a legal holiday.

10. Exercisability; Expiration of Warrant. This Warrant shall be exercisable at the option of the Holder at any time or from time to time, but shall expire and shall no longer be exercisable after at 5:00 p.m., local time in Palo Alto, California, on July 31, 2015.

11. Miscellaneous.

(a) Successors and Assigns. This Warrant shall not be assignable by the Holder except in accordance with Section 7. This Warrant shall be binding upon any successors or assigns of the Company.

(b) Governing Law. This Warrant shall be governed by and construed in accordance with the laws of the State of California, without reference to the conflict of laws provisions thereof.

(c) Attorney's Fees. In any litigation, arbitration, or court proceeding between the Company and the Holder relating hereto, the prevailing party shall be entitled to reasonable attorneys' fees and expenses incurred in enforcing this Warrant.

(d) Market Stand-off Agreement. The Holder hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "Company's IPO"), such Holder shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by such Holder (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an

underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 11(d) shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 7(c) hereof with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

(e) Amendments. This Warrant may be amended and the observance of any term of this Warrant may be waived only with the written consent of both parties.

(f) Loss of Warrant. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement reasonably satisfactory in form and amount to the Company or, in the case of any such mutilation, upon surrender and cancellation of such Warrant, the Company at the Holder's expense will execute and deliver to the holder of record, in lieu thereof, a new Warrant of like date and tenor.

(g) Notice. Any notices required or permitted by this Warrant shall be made in writing and shall be deemed given if delivered personally, or by commercial messenger or courier service, or mailed by U.S. registered or certified mail (return receipt requested), or sent via facsimile (with receipt of confirmation of complete transmission) to a party at the party's address or facsimile number set forth below or at such other address or facsimile number as the party may have previously specified by like notice. If by mail, delivery shall be deemed effective four (4) business days after mailing in accordance with this Section 11(g).

Theranos, Inc.
3200 Hillview Avenue
Palo Alto, CA 94304
Tel: (650) 838-9292
Attn: Elizabeth Holmes
President and CEO

Sandbox Co-Investment Fund I, L.P.
213 North Racine
Chicago, Illinois 60601
Tel: (312) 243-4100
Attn: Matt Downs

(h) Entire Agreement; Construction. This Warrant constitutes the full and entire agreement between the parties with respect to the subject matter hereof and supersedes and cancels any and all prior agreements, undertakings, or understandings with respect to the subject matter hereof. Should any provision of this Warrant be held invalid or unenforceable, the remaining provisions shall be valid, and a valid provision shall be presumed agreed by the parties such that the rights and obligations set forth herein shall be enforceable to the maximum extent possible to preserve the intent of this Warrant.

[Signature page follows]

IN WITNESS WHEREOF, the Company has caused this Common Stock Purchase Warrant to be executed by its officer thereunto duly authorized as of the date first above written.

THERANOS, INC.

By: _____

Name: _____

Title: _____

Acknowledged and Agreed:

SANDBOX CO-INVESTMENT FUND I, L.P.

By: _____

Name: _____

Title: _____

[Signature Page to Theranos, Inc. Common Stock Purchase Warrant]

EXHIBIT A

NOTICE OF EXERCISE

NOTICE OF EXERCISE

COMMON STOCK PURCHASE WARRANT

To: THERANOS, INC.

1. The undersigned hereby elects to purchase _____ shares of Common Stock ("**Stock**") of Theranos, Inc. (the "**Company**") pursuant to the terms of the attached Common Stock Purchase Warrant (the "**Warrant**"), and tenders herewith payment of the aggregate exercise price therefor and any transfer taxes payable pursuant to the terms of the Warrant, together with an Investment Representation Statement in form and substance satisfactory to legal counsel to the Company.

[or]

1. The undersigned hereby elects to convert the attached Common Stock Purchase Warrant (the "**Warrant**") into _____ shares of Common Stock ("**Stock**") of Theranos, Inc. (the "**Company**") in the manner specified in the Warrant and tenders herewith an Investment Representation Statement in form and substance satisfactory to legal counsel to the Company.

[Strike paragraph that does not apply.]

2. The shares of Stock to be received by the undersigned upon exercise of the Warrant are being acquired for its own account, not as a nominee or agent, and not with a view to resale or distribution of any part thereof, and the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the same. The undersigned further represents that it does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participation to such person or to any third person, with respect to the Stock. The undersigned believes it has received all the information it considers necessary or appropriate for deciding whether to purchase the Stock.

3. The undersigned understands that the shares of Stock are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in transactions not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act of 1933, as amended (the "**Securities Act**"), only in certain limited circumstances. In this connection, the undersigned represents that it is familiar with Rule 144 promulgated under the Securities Act, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act.

4. The undersigned hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "**Company's IPO**"), the undersigned shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by the undersigned (other than those included in the registration) during the one hundred eighty (180) day period

following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 4 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the second legend set forth in Section 5 hereof with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

5. The undersigned understands the instruments evidencing the Stock may bear the following legends, in addition to any legend required by applicable state securities laws:

THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS PURSUANT TO REGISTRATION OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS.

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

[Signature page follows]

IN WITNESS WHEREOF, the Warrantholder has executed this Notice of Exercise effective this
____ day of _____, 20____.

WARRANTHOLDER

By: _____

Name: _____

Title: _____

[NOTICE OF EXERCISE OF THERANOS, INC. COMMON STOCK PURCHASE WARRANT]

EXHIBIT B

INVESTMENT REPRESENTATION STATEMENT

INVESTMENT REPRESENTATION STATEMENT

PURCHASER : _____
COMPANY : THERANOS, INC.
SECURITIES : THE WARRANT ISSUED ON AUGUST 10, 2010 (THE
"WARRANT") AND THE SECURITIES ISSUED OR ISSUABLE
UPON EXERCISE THEREOF
DATE : _____

In connection with the purchase of the above-listed Securities, the undersigned Purchaser represents to the Company the following:

(a) The undersigned is sufficiently aware of the Company's business affairs and financial condition to reach an informed and knowledgeable decision to acquire the Securities. The undersigned is purchasing these Securities for its own account for investment purposes only and not with a view to, or for the resale in connection with, any "distribution" thereof for purposes of the Securities Act of 1933, as amended (the "Securities Act").

(b) The undersigned understands that the Securities have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon, among other things, the bona fide nature of its investment intent as expressed herein.

(c) The undersigned further understands that the Securities must be held indefinitely unless subsequently registered under the Securities Act or unless an exemption from registration is otherwise available (such as Rule 144 under the Securities Act). Moreover, the undersigned understands that the Company is under no obligation to register the Securities. In addition, the undersigned understands that the certificate evidencing the Securities may be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel for the Company.

(d) The undersigned is familiar with the provisions of Rule 144, promulgated under the Securities Act, which, in substance, permits limited public resale of "restricted securities" acquired, directly or indirectly, from the issuer thereof (or from an affiliate of such issuer), in a non-public offering subject to the satisfaction of certain conditions, which may include, among other things, the availability of certain current public information about the Company; the resale occurring not less than a specified period after a party has purchased and paid for the security to be sold; the number of shares being sold during any three-month period not exceeding specified limitations; the sale being effected through a "broker's transaction," a transaction directly with a "market maker" or a "riskless principal transaction" (as those terms are defined in the Securities Act or the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder); and the filing of a Form

144 notice, if applicable. There can be no assurances that the requirements of Rule 144 will be met, or that the Securities will ever be saleable.

(e) The undersigned further understands that at the time the undersigned wishes to sell the Securities there may be no public market upon which to make such a sale, and that, even if such a public market then exists, the Company may not be satisfying the current public information requirements of Rule 144, and that, in such event, the undersigned may be precluded from selling the Securities under Rule 144 even if the other applicable requirements of Rule 144 have been satisfied.

(f) The undersigned further understands that, notwithstanding the fact that Rule 144 is not exclusive, the Staff of the SEC has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk.

Signature of Purchaser:

By: _____

Name: _____

Title: _____

EXHIBIT C

ASSIGNMENT FORM

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: THERANOS, INC.

WARRANT: THE WARRANT TO PURCHASE SHARES OF COMMON STOCK
ISSUED ON AUGUST 10, 2010 (THE "WARRANT")

DATE: _____

- (1) **Assignment.** The undersigned registered holder of the Warrant ("Assignor") assigns and transfers to the assignee named below ("Assignee") all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____

Address of Assignee: _____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of Theranos, Inc., maintained for the purpose, with full power of substitution in the premises.

- (2) **Obligations of Assignee.** Assignee agrees to take and hold the Warrant and any shares of stock to be issued upon exercise of the rights thereunder (the "Securities") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.
- (3) **Investment Intent.** Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same.
- (4) **Investment Representation Statement.** Assignee has executed, and delivers herewith, an Investment Representation Statement in a form substantially similar to the form attached to the Warrant as Exhibit B.
- (5) **Market Stand-Off Agreement.** The undersigned hereby agrees that, if requested by the managing underwriter of the initial underwritten public offering of the Company's securities filed under the Securities Act (the "Company's IPO"), the undersigned shall enter an agreement not to sell or otherwise transfer, make any short sale of, grant any option for the

purchase of, or enter into any hedging or similar transaction with the same economic effect as a sale, of any Common Stock (or other securities) of the Company held by the undersigned (other than those included in the registration) during the one hundred eighty (180) day period following the effective date of the Company's IPO (or such other period up to an additional 35 days as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (i) the publication or other distribution of research reports and (ii) analyst recommendations and opinions, including, but not limited to, the restrictions contained in NASD Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto). The obligations described in this Section 5 shall not apply to a registration relating solely to employee benefit plans on Form S-1 or Form S-8 or similar forms that may be promulgated in the future, or a registration relating solely to a transaction on Form S-4 or similar forms that may be promulgated in the future. The Company may impose stop-transfer instructions and may stamp each such certificate with the following with respect to the shares of Common Stock (or other securities) subject to the foregoing restriction until the end of such one hundred eighty (180) day period (subject to extension as noted above).

THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE, INCLUDING A LOCK-UP PERIOD OF UP TO 180 DAYS (SUBJECT TO EXTENSION) IN THE EVENT OF A PUBLIC OFFERING.

[Signature page follows]

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR

ASSIGNEE

(Print name of Assignor)

(Print name of Assignee)

(Signature of Assignor)

(Signature of Assignee)

(Print name of signatory, if applicable)

(Print name of signatory, if applicable)

(Print title of signatory, if applicable)

(Print title of signatory, if applicable)

Address:

Address:

EXHIBIT E

Amended and Restated Bylaws

Theranos Confidential

Amended +
Restated
Bylaws

**AMENDED AND RESTATED BYLAWS OF
THERANOS, INC.**

ARTICLE I — MEETINGS OF STOCKHOLDERS

(last amended as of August 2010)

1.1 Place of Meetings. Meetings of stockholders of Theranos, Inc. (the “Company”) shall be held at any place, within or outside the State of Delaware, designated by the Company’s board of directors (the “Board”). The Board may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law (the “DGCL”). In the absence of any such designation or determination, stockholders’ meetings shall be held at the Company’s principal executive office.

1.2 Annual Meeting. An annual meeting of stockholders shall be held for the election of directors at such date and time as may be designated by resolution of the Board of Directors from time to time. Any other proper business may be transacted at the annual meeting. The Company shall not be required to hold an annual meeting of stockholders provided that (i) the stockholders are permitted to act by written consent under the Company’s certificate of incorporation and these bylaws, (ii) the stockholders take action by written consent to elect directors and (iii) the stockholders unanimously consent to such action or, if such consent is less than unanimous, all of the directorships to which directors could be elected at an annual meeting held at the effective time of such action are vacant and are filled by such action.

1.3 Special Meeting. A special meeting of the stockholders may be called at any time by the Board, chairperson of the Board, chief executive officer or president (in the absence of a chief executive officer) or by one or more stockholders holding shares in the aggregate entitled to cast not less than 25% of the votes at that meeting.

If any person(s) other than the Board calls a special meeting, the request shall:

- (i) be in writing;
- (ii) specify the time of such meeting and the general nature of the business proposed to be transacted; and
- (iii) be delivered personally or sent by registered mail or by facsimile transmission to the chairperson of the Board, the chief executive officer, the president (in the absence of a chief executive officer) or the secretary of the Company.

The officer(s) receiving the request shall cause notice to be promptly given to the stockholders entitled to vote at such meeting, in accordance with the provisions of Sections 1.4 and

1.5 of these bylaws, that a meeting will be held at the time requested by the person or persons calling the meeting. No business may be transacted at such special meeting other than the business specified in such notice to stockholders. Nothing contained in this paragraph of this **Section 1.3** shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board may be held.

1.4 **Notice of Stockholders' Meetings.** All notices of meetings of stockholders shall be sent or otherwise given in accordance with either **Section 1.5** or **Section 7.1** of these bylaws not less than 10 or more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting. The notice shall specify the place, if any, date and hour of the meeting, 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, and, in the case of a special meeting, the purpose or purposes for which the meeting is called.

1.5 **Manner of Giving Notice; Affidavit of Notice.** Notice of any meeting of stockholders shall be given:

- (i) if mailed, when deposited in the United States mail, postage prepaid, directed to the stockholder at his or her address as it appears on the Company's records; or
- (ii) if electronically transmitted as provided in **Section 7.1** of these bylaws.

An affidavit of the secretary or an assistant secretary of the Company or of the transfer agent or any other agent of the Company that the notice has been given by mail or by a form of electronic transmission, as applicable, shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

1.6 **Quorum.** Except as otherwise provided by law, the certificate of incorporation or these bylaws, at each meeting of stockholders the presence in person or by proxy of the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (i) the chairperson of the meeting, or (ii) the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present or represented.

1.7 **Adjourned Meeting; Notice.** Any meeting of stockholders, annual or special, may adjourn from time to time to reconvene at the same or some other place, and notice need not be given of the adjourned meeting if the time, place if any thereof, and the means of remote communications 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. At the continuation of the adjourned meeting, the Company may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, or

if after the adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

1.8 Conduct of Business. Meetings of stockholders shall be presided over by the Chairman of the Board, if any, or in his or her absence by the Vice Chairman of the Board, if any, or in his or her absence by the Chief Executive Officer, or in his or her absence by the President, or in his or her absence by a Vice President, or in the absence of the foregoing persons by a chairperson designated by the Board of Directors, or in the absence of such designation by a chairperson chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairperson of the meeting may appoint any person to act as secretary of the meeting. The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including such regulation of the manner of voting and the conduct of business.

1.9 Voting. The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 1.11 of these bylaws, subject to Section 217 (relating to voting rights of fiduciaries, pledgors and joint owners of stock) and Section 218 (relating to voting trusts and other voting agreements) of the DGCL.

Except as may be otherwise provided in the certificate of incorporation or these bylaws, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. Voting at meetings of stockholders need not be by written ballot and need not be conducted by inspectors of election unless so determined by the holders of shares of stock having a majority of the votes which could be cast by the holders of all outstanding shares of stock entitled to vote thereon which are present in person or by proxy at such meeting. At all meetings of stockholders for the election of directors a plurality of the votes cast shall be sufficient to elect. All other elections and questions shall, unless otherwise provided by law, the certificate of incorporation or these bylaws, be decided by the vote of the holders of shares of stock having a majority of the votes which could be cast by the holders of all shares of stock entitled to vote thereon which are present in person or represented by proxy at the meeting.

1.10 Stockholder Action by Written Consent Without a Meeting. Unless otherwise provided in the certificate of incorporation, any action required by the DGCL to be taken at any annual or special meeting of stockholders of a corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing and who, if the action had been taken at a meeting, would have been entitled to notice of the meeting if the record date for such meeting had been the date that written consents signed by a sufficient number of holders to take the action were delivered to the Company as provided in Section 228 of the DGCL.

In the event that the action which is consented to is such as would have required the filing of a certificate under any provision of the DGCL, if such action had been voted on by stockholders at a meeting thereof, the certificate filed under such provision shall state, in lieu of any statement required by such provision concerning any vote of stockholders, that written consent has been given in accordance with Section 228 of the DGCL.

1.11 Record Date for Stockholder Notice; Voting; Giving Consents. In order that the Company may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or entitled to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors and which record date:

(i) in the case of determination of stockholders entitled to notice of or to vote at any meeting of stockholders or adjournment thereof, shall, unless otherwise required by law, not be more than sixty nor less than ten days before the date of such meeting;

(ii) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors; and

(iii) in the case of determination of stockholders for any other action, shall not be more than sixty days prior to such other action.

If no record date is fixed by the Board of Directors:

(i) the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held;

(ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Company in accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and

(iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

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 adjourned meeting.

1.12 **Proxies.** Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by proxy authorized by an instrument in writing or by a transmission permitted by law filed in accordance with the procedure established for the meeting, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212 of the DGCL.

1.13 **List of Stockholders Entitled to Vote.** The officer who has charge of the stock ledger of the Company shall prepare and make, at least 10 days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. The Company 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 10 days prior to the meeting: (i) 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, or (ii) during ordinary business hours, at the Company's principal executive office. In the event that the Company determines to make the list available on an electronic network, the Company may take reasonable steps to ensure that such information is available only to stockholders of the Company. If the meeting is to be held at a place, then the list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. If the meeting is to be held solely by means of remote communication, then the 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. Such list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

ARTICLE II — DIRECTORS

2.1 **Powers.** Subject to the provisions of the DGCL and any limitations in the certificate of incorporation or these bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the Company shall be managed and all corporate powers shall be exercised by or under the direction of the Board.

2.2 **Number of Directors.** The number of directors shall be determined from time to time by resolution of the Board, provided the Board shall consist of at least one member. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

2.3 Election, Qualification and Term of Office of Directors. Except as provided in **Section 2.4** of these bylaws, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws. The certificate of incorporation or these bylaws may prescribe other qualifications for directors. Each director, including a director elected to fill a vacancy, shall hold office until such director's successor is elected and qualified or until such director's earlier death, resignation or removal.

2.4 Resignation and Vacancies. Any director may resign at any time upon notice given in writing or by electronic transmission to the Company. When one or more directors so resigns and the resignation is effective at a future date, a majority of the directors then in office, including those who have so resigned, shall have power to fill such vacancy or vacancies, the vote thereon to take effect when such resignation or resignations shall become effective, and each director so chosen shall hold office as provided in this Section in the filling of other vacancies.

Unless otherwise provided in the certificate of incorporation or these bylaws:

(i) Vacancies and newly created directorships resulting from any increase in the authorized number of directors elected by all of the stockholders having the right to vote as a single class may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

(ii) Whenever the holders of any class or classes of stock or series thereof are entitled to elect one or more directors by the provisions of the certificate of incorporation, vacancies and newly created directorships of such class or classes or series may be filled by a majority of the directors elected by such class or classes or series thereof then in office, or by a sole remaining director so elected.

If at any time, by reason of death or resignation or other cause, the Company should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the DGCL.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole Board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the DGCL as far as applicable.

2.5 Place of Meetings; Meetings by Telephone. The Board may hold meetings, both regular and special, either within or outside the State of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board, or any committee designated by the Board, may participate in a meeting of the Board, or any 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 such participation in a meeting shall constitute presence in person at the meeting.

2.6 Regular Meetings. Regular meetings of the Board may be held without notice at such time and at such place as shall from time to time be determined by the Board.

2.7 Special Meetings; Notice.

Special meetings of the Board for any purpose or purposes may be called at any time by the chairperson of the Board, the chief executive officer, the president (in the absence of a chief executive officer), the secretary or any two directors.

Notice of the time and place of special meetings shall be:

- (i) delivered personally by hand, by courier or by telephone;
- (ii) sent by United States first-class mail, postage prepaid;
- (iii) sent by facsimile; or
- (iv) sent by electronic mail,

directed to each director at that director's address, telephone number, facsimile number or electronic mail address, as the case may be, as shown on the Company's records.

If the notice is (i) delivered personally by hand, by courier or by telephone, (ii) sent by facsimile or (iii) sent by electronic mail, it shall be delivered or sent at least 24 hours before the time of the holding of the meeting. If the notice is sent by United States mail, it shall be deposited in the United States mail at least four days before the time of the holding of the meeting. Any oral notice may be communicated to the director. The notice need not specify the place of the meeting (if the meeting is to be held at the Company's principal executive office) nor the purpose of the meeting.

2.8 Quorum. At all meetings of the Board, a majority of the total number of directors shall constitute a quorum for the transaction of business. The vote of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board, except as may be otherwise specifically provided by statute, the certificate of incorporation or these bylaws. If a quorum is not present at any meeting of the Board, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

2.9 Board Action by Written Consent Without a Meeting. Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board, or of any committee thereof, may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the Board 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.

2.10 Fees and Compensation of Directors. Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board shall have the authority to fix the compensation of directors.

2.11 Approval of Loans to Officers. The Company may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the Company or of its subsidiary, including any officer or employee who is a director of the Company or its subsidiary, whenever, in the judgment of the Board, such loan, guaranty or assistance may reasonably be expected to benefit the Company. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board shall approve, including, without limitation, a pledge of shares of stock of the Company.

2.12 Removal of Directors. Unless otherwise restricted by statute, the certificate of incorporation or these bylaws, any director or the entire Board may be removed, with or without cause, by the holders of a majority of the shares then entitled to vote at an election of directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director's term of office.

ARTICLE III — COMMITTEES

3.1 Committees of Directors. The Board may designate one or more committees, each committee to consist of one or more of the directors of the Company. The Board may designate one or more directors as alternate 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 thereof present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board 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 or in these bylaws, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company, and may authorize the seal of the Company

to be affixed to all papers that may require it; but no such committee shall have the power or authority to (i) approve or adopt, or recommend to the stockholders, any action or matter expressly required by the DGCL to be submitted to stockholders for approval, or (ii) adopt, amend or repeal any bylaw of the Company,

3.2 Committee Minutes. Each committee shall keep regular minutes of its meetings and report the same to the Board when required.

3.3 Meetings and Action of Committees. Meetings and actions of committees shall be governed by, and held and taken in accordance with the provisions of:

- (i) Section 2.5 (place of meetings and meetings by telephone);
- (ii) Section 2.6 (regular meetings);
- (iii) Section 2.7 (special meetings and notice);
- (iv) Section 2.8 (quorum);
- (v) Section 6.10 (waiver of notice); and
- (vi) Section 2.9 (action without a meeting)

with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board and its members. *However:*

- (i) the time of regular meetings of committees may be determined either by resolution of the Board or by resolution of the committee;
 - (ii) special meetings of committees may also be called by resolution of the Board;
- and
- (iii) notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

ARTICLE IV — OFFICERS

4.1 Officers. The officers of the Company shall be a president and a secretary. The Company may also have, at the discretion of the Board, a chairperson of the Board, a vice chairperson of the Board, a chief executive officer, a chief financial officer or treasurer, one or more senior vice presidents, one or more assistant treasurers, one or more assistant secretaries, and any such other officers as may be appointed in accordance with the provisions of these bylaws. Any number of offices may be held by the same person.

4.2 Appointment of Officers. The Board shall appoint the officers of the Company, except such officers as may be appointed in accordance with the provisions of Sections 4.3 and 4.5 of these bylaws, subject to the rights, if any, of an officer under any contract of employment.

4.3 Subordinate Officers. The Board may appoint, or empower the chief executive officer or, in the absence of a chief executive officer, the president, to appoint such other officers and agents as the business of the Company may require. Each of such officers and agents shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board may from time to time determine.

4.4 Removal and Resignation of Officers. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board at any regular or special meeting of the Board or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice. Unless otherwise specified in the notice of resignation, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

4.5 Vacancies in Offices. Any vacancy occurring in any office of the Company shall be filled by the Board or as provided in Section 4.2.

4.6 Representation of Shares of Other Corporations. The chairperson of the Board, the chief executive officer, the president, any vice president, the treasurer, the secretary or assistant secretary of the Company, or any other person authorized by the Board or the president or a vice president, is authorized to vote, represent, and exercise on behalf of the Company all rights incident to any and all shares of any other corporation or corporations standing in the name of the Company. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by such person having the authority.

4.7 Authority and Duties of Officers. All officers of the Company shall respectively have such authority and perform such duties in the management of the business of the Company as may be designated from time to time by the Board or the stockholders and, to the extent not so provided, as generally pertain to their respective offices, subject to the control of the Board. Subject to the foregoing, the chief executive officer (or in the absence of a chief executive officer, the president) of the Company shall have general supervision, direction, and control of the business and the officers of the Company. All officers of the Company shall report to the chief executive officer (or in the absence of a chief executive officer, the president) or his or her designee.

ARTICLE V — RECORDS AND REPORTS

5.1 Maintenance and Inspection of Records. The Company shall, either at its principal executive office or at such place or places as designated by the Board, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws as amended to date, accounting books, and other records.

5.2 Inspection by Directors. Any director shall have the right to examine the Company's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the Company to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

5.3 Annual Report. The Company shall cause an annual report to be sent to the stockholders of the Company to the extent required by applicable law. If and so long as there are fewer than 100 holders of record of the Company's shares, the requirement of sending of an annual report to the stockholders of the Company is expressly waived (to the extent permitted under applicable law).

ARTICLE VI — GENERAL MATTERS

6.1 Stock Certificates, Partly Paid Shares. The shares of the Company shall be represented by certificates, provided that the Board may provide by resolution or resolutions that some or all of any or all classes or series of its stock shall be uncertificated shares. Any such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Company. Notwithstanding the adoption of such a resolution by the Board, every holder of stock represented by certificates and upon request every holder of uncertificated shares shall be entitled to have a certificate signed by, or in the name of the Company by the chairperson or vice-chairperson of the Board, or the president or vice-president, and by the treasurer or an assistant treasurer, or the secretary or an assistant secretary of the Company representing the number of shares registered in certificate form. Any or all of the signatures on the certificate may be a facsimile. In case any officer, transfer agent or registrar who has signed or whose facsimile signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the Company with the same effect as if he were such officer, transfer agent or registrar at the date of issue.

The Company may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate issued to represent any such partly paid shares, upon the books and records of the Company in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on

fully paid shares, the Company shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

6.2 Special Designation on Certificates. If the Company is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the Company shall issue to represent such class or series of stock; *provided, however*, that, except as otherwise provided in Section 202 of the DGCL, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the Company shall issue to represent such class or series of stock a statement that the Company will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

6.3 Lost Certificates. Except as provided in this Section 6.3, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the Company and cancelled at the same time. The Company may issue a new certificate of stock or uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Company may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Company a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

6.4 Construction; Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the DGCL shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

6.5 Dividends. The Board, subject to any restrictions contained in either (i) the DGCL, or (ii) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the Company's capital stock.

The Board may set apart out of any of the funds of the Company available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the Company, and meeting contingencies.

6.6 Fiscal Year. The fiscal year of the Company shall be fixed by resolution of the Board and may be changed by the Board.

6.7 *Seal.* The Company may adopt a corporate seal, which shall be adopted and which may be altered by the Board. The Company may use the corporate seal by causing it or a facsimile thereof to be impressed or affixed or in any other manner reproduced.

6.8 *Stock Transfer Agreements.* The Company shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the Company to restrict the transfer of shares of stock of the Company of any one or more classes owned by such stockholders in any manner not prohibited by the DGCL.

6.9 *Registered Stockholders.* The Company

- (i) shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner;
- (ii) shall be entitled to hold liable for calls and assessments the person registered on its books as the owner of shares; and
- (iii) shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

6.10 *Waiver of Notice.* Whenever notice is required to be given under any provision of the DGCL, the certificate of incorporation or these bylaws, a written waiver, signed by the person entitled to notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time of the event for which notice is to be given, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice or any waiver by electronic transmission unless so required by the certificate of incorporation or these bylaws.

ARTICLE VII — NOTICE BY ELECTRONIC TRANSMISSION

7.1 *Notice by Electronic Transmission.* Without limiting the manner by which notice otherwise may be given effectively to stockholders pursuant to the DGCL, the certificate of incorporation or these bylaws, any notice to stockholders given by the Company under any provision of the DGCL, the certificate of incorporation or these bylaws shall be effective if given by a form of electronic transmission consented to by the stockholder to whom the notice is given. Any such consent shall be revocable by the stockholder by written notice to the Company. Any such consent shall be deemed revoked if:

- (i) the Company is unable to deliver by electronic transmission two consecutive notices given by the Company in accordance with such consent; and

(ii) such inability becomes known to the secretary or an assistant secretary of the Company or to the transfer agent, or other person responsible for the giving of notice.

However, the inadvertent failure to treat such inability as a revocation shall not invalidate any meeting or other action.

Any notice given pursuant to the preceding paragraph shall be deemed given

(i) if by facsimile telecommunication, when directed to a number at which the stockholder has consented to receive notice;

(ii) if by electronic mail, when directed to an electronic mail address at which the stockholder has consented to receive notice;

(iii) if by a 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

(iv) 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 Company that the notice has been given by a form of electronic transmission shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

7.2 Definition of Electronic Transmission. An "electronic transmission" means any form of communication, not directly involving the physical transmission of paper, that creates a record that may be retained, retrieved, and reviewed by a recipient thereof, and that may be directly reproduced in paper form by such a recipient through an automated process.

7.3 Inapplicability. Notice by a form of electronic transmission shall not apply to Sections 164, 296, 311, 312 or 324 of the DGCL.

ARTICLE VIII — INDEMNIFICATION

8.1 Indemnification of Directors and Officers. The Company shall indemnify and hold harmless, to the fullest extent permitted by the DGCL as it presently exists or may hereafter be amended, any director or officer of the Company who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding") by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and

expenses reasonably incurred by such person in connection with any such Proceeding. The Company shall be required to indemnify a person in connection with a Proceeding initiated by such person only if the Proceeding was authorized by the Board.

8.2 Indemnification of Others. The Company shall have the power to indemnify and hold harmless, to the extent permitted by applicable law as it presently exists or may hereafter be amended, any employee or agent of the Company who was or is made or is threatened to be made a party or is otherwise involved in any Proceeding by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was an employee or agent of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or non-profit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person in connection with any such Proceeding.

8.3 Prepayment of Expenses. The Company shall pay the expenses incurred by any officer or director of the Company, and may pay the expenses incurred by any employee or agent of the Company, in defending any Proceeding in advance of its final disposition; *provided, however*, that the payment of expenses incurred by a person in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the person to repay all amounts advanced if it should be ultimately determined that the person is not entitled to be indemnified under this **Article VIII** or otherwise.

8.4 Determination of Claim. If a claim for indemnification or payment of expenses under this **Article VIII** is not paid in full within sixty days after a written claim therefor has been received by the Company the claimant may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Company shall have the burden of proving that the claimant was not entitled to the requested indemnification or payment of expenses under applicable law.

8.5 Non-Exclusivity of Rights. The rights conferred on any person by this **Article VIII** shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of incorporation, these bylaws, agreement, vote of stockholders or disinterested directors or otherwise.

8.6 Insurance. The Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Company would have the power to indemnify him or her against such liability under the provisions of the DGCL.

8.7 Other Indemnification. The Company's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee or agent of another corporation,

partnership, joint venture, trust, enterprise or non-profit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

8.8 Amendment Or Repeal. Any repeal or modification of the foregoing provisions of this Article VIII shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE IX — RIGHT OF FIRST REFUSAL

9.1 Before any shares of the Company's capital stock may be sold or otherwise transferred, the Company or its assignee shall have a right of first refusal to purchase such securities on the terms and conditions set forth in this Article IX (the "Right of First Refusal").

(i) Notice of Proposed Transfer. The stockholder proposing to make a sale or transfer (the "Seller") shall deliver to the corporation a binding written notice (the "Seller Notice") stating: (i) the Seller's bona fide intention to sell or otherwise transfer such securities; (ii) the name of each proposed purchaser or other transferee (the "Proposed Transferee"); (iii) the number of securities proposed to be transferred to each Proposed Transferee; and (iv) the terms and conditions of each proposed sale or transfer. The Seller shall offer the securities at the same price (the "Offered Price") and upon the same terms (or terms as similar as reasonably possible) to the Company or its assignee.

(ii) Exercise of Right of First Refusal. At any time within thirty (30) business days after receipt of the Seller Notice, the Company or its assignee may, by giving written notice to the Seller, elect to purchase all of the securities proposed to be transferred to any one or more of the Proposed Transferees, at the purchase price determined in accordance with subsection (iii) below.

(iii) Purchase. The purchase price ("Purchase Price") for the securities purchased by the Company or its assignee shall be the Offered Price. If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by the Board of Directors of the Company in good faith. Payment of the Purchase Price shall be made, at the option of the Company or its assignee(s), in cash (by check), by cancellation of all or a portion of any outstanding indebtedness of the Seller to the Company (or, in the case of purchase by an assignee, to the assignee), or by any combination thereof within 60 days after the Company or its assignee provides the written notice to the Seller as provided in subsection (ii) above.

(iv) Seller's Right to Transfer. If the securities proposed in the Seller Notice to be transferred are not purchased by the Company or its assignee as provided in this Article IX, then the Seller may sell or otherwise transfer such securities to that Proposed Transferee at the Offered Price or at a higher price, provided that such sale or other transfer is consummated within 90 days after the date of the Seller Notice and provided further that any such sale or other transfer is effected in accordance with any applicable securities laws. If any securities described in the Seller Notice are not transferred to the Proposed Transferee within such period, or if the Seller proposes to change the price or other terms to

make them more favorable to the Proposed Transferee, a new Seller Notice shall be given to the Company, and the Company and/or its assignee shall again be offered the Right of First Refusal before any securities held by the Seller may be sold or otherwise transferred.

(v) Permitted Transactions. The provisions of this Section 8.8 shall not pertain or apply to transfers by the initial holder of the securities to family members, transfers to trusts or other entities beneficially owned by family of the initial holder, or to any limited partnership of which the initial holder, members of such initial holder's immediate family or any trust for the account of such initial holder or such initial holder's immediate family, is the general or limited partner(s) of such partnership, transfer to partners or former partners of a limited or general partnership of which the initial holder is a partner, transfers of any or all of such initial holder's shares to the Company or any other initial holder of the Company, or bona fide gifts by the initial holder.

(vi) Termination. The provisions of this Article IX shall automatically terminate upon effectiveness of the Company's initial public offering of its common stock pursuant to the Securities Act of 1933.

ARTICLE X — AMENDMENTS

These bylaws may be adopted, amended or repealed by the stockholders entitled to vote. However, the Company may in its certificate of incorporation, confer the power to adopt, amend or repeal bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal bylaws.

THERANOS, INC.

CERTIFICATE OF ADOPTION OF BYLAWS

The undersigned hereby certifies that he or she is the duly elected, qualified and acting Secretary or Assistant Secretary of Theranos, Inc., a Delaware corporation (the "Company"), and that the foregoing bylaws, comprising 16 pages, were adopted as the Company's bylaws on April 14, 2004 by the Company's board of directors.

The undersigned has executed this Certificate as of April 14, 2004.

Secretary

THERANOS, INC.

CERTIFICATE OF AMENDMENT OF BYLAWS

The undersigned hereby certifies that he or she is the duly elected, qualified, and acting Secretary or Assistant Secretary of Theranos, Inc., a Delaware corporation (the "Company"), and that the foregoing bylaws, comprising 16 pages, were amended and restated on August 10, 2010 by the Company's board of directors.

The undersigned has executed this Certificate as of August 10, 2010.

Secretary

