As filed with the Securities and Exchange Commission on March 10, 2021

Registration No. 333-252671

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

AMENDMENT NO. 1
TO
FORM S-1
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

MOVANO INC.

(*Exact name of registrant as specified in its charter*)

Delaware	**3845**	**26-0579295**
(*State or other jurisdiction of incorporation or organization)*	(*Primary Standard Industrial Classification Code Number)*	(*I.R.S. Employer Identification No.)*

Movano Inc.
6200 Stoneridge Mall Rd., Suite 300
Pleasanton, CA 94588
(415) 651-3172
(*Address, including zip code, and telephone number, including area code, of registrant's principal executive offices*)

Michael Leabman
Chief Executive Officer
Movano Inc.
6200 Stoneridge Mall Rd., Suite 300
Pleasanton, CA 94588
(415) 651-3172
(*Name, address, including zip code, and telephone number, including area code, of agent for service*)

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As soon as practicable after the effective date of this Registration Statement.
(*Approximate date of commencement of proposed sale to the public*)

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act:

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price[1]	Amount of Registration Fee
Common Stock	$ 41,400,000	$ 4,516.74[2]
Underwriter Warrant [3][4] [5]	$ 100	$ -
Shares of Common Stock Underlying Underwriter Warrant	$ 4,968,000	$ 542.01[2]

(1) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. Includes the offering price of the shares that the underwriter has the option to purchase to cover over-allotments, if any.
(2) Previously paid.
(3) No registration fee required pursuant to Rule 457(g) under the Securities Act of 1933, as amended.
(4) Represents a warrant to be granted to the underwriter to purchase shares of common stock in an amount up to 10% of the number of shares sold to the public in this offering.
(5) Pursuant to Rule 416 under the Securities Act of 1933, as amended, there is also being registered hereby such indeterminate number of additional shares of common stock of the registrant as may be issued or issuable because of stock splits, stock dividends, stock distributions, and similar transactions.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment, which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until this Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

THE INFORMATION IN THIS PRELIMINARY PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. THESE SECURITIES MAY NOT BE SOLD UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PRELIMINARY PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND WE ARE NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY JURISDICTION WHERE THE OFFER OR SALE IS NOT PERMITTED.

PRELIMINARY PROSPECTUS SUBJECT TO COMPLETION, DATED MARCH 10, 2021

MOVANO INC.

7,200,000 Shares of Common Stock

This is the initial public offering of shares of our common stock. Prior to this offering, there has been no public market for our common stock. The initial public offering price is $5.00 per share. We have applied to list our common stock on the Nasdaq Capital Market under the symbol "MOVE."

We are an "emerging growth company" as that term is used in the Jumpstart Our Business Startups Act of 2012 and, as such, have elected to comply with certain reduced public company reporting requirements for this prospectus and may elect to do so in future filings. See "Prospectus Summary – Implications of Being an Emerging Growth Company."

Investing in our common stock involves a high degree of risk. See "Risk Factors" beginning on page 5 for a discussion of information that should be considered in connection with an investment in our securities.

	Per Share	Total
Public offering price	$ 5.0000	$ 36,000,000
Underwriting discount [(1)]	$ 0.3825	$ 2,754,000
Proceeds, before expenses, to us	$ 4.6175	$ 33,246,000

(1) We have also granted a warrant to the underwriter in connection with this offering and agreed to reimburse the underwriter for certain expenses incurred by it. See "Underwriting" beginning on page 64 for a description of the compensation payable by us to the underwriter.

The underwriter may also purchase up to an additional 1,080,000 shares from us at the initial public offering price, less the underwriting discount, within 45 days of the date of this prospectus, to cover over-allotments if any.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriter expects to deliver the shares of common stock to investors on or about , 2021.

Sole Book-Running Manager

National Securities Corporation

The date of this prospectus is , 2021.

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Unless otherwise stated or the context otherwise requires, the terms "Movano", "we," "us," "our" and the "Company" refer to Movano Inc.

You should rely only on the information contained in this prospectus and any related free writing prospectus that we may provide to you in connection with this offering. We have not, and the underwriter has not, authorized anyone to provide you with additional or different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriter is not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should assume that the information appearing in this prospectus is accurate only as of the date on the front cover of this prospectus. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: neither we nor the underwriter have done anything that would permit this offering or possession or distribution of this prospectus or any free writing prospectus we may provide to you in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus and any such free writing prospectus outside of the United States.

Prospectus Summary

This summary highlights selected information contained elsewhere in this prospectus and does not contain all of the information that you should consider before investing in our common stock. You should carefully read this prospectus and the registration statement of which this prospectus is a part in their entirety before investing in our common stock, including the information discussed under "Risk Factors" beginning on page 5 and our financial statements and notes thereto that appear elsewhere in this prospectus.

Our Company

We are a health-focused technology company developing simple, smart and personalized devices designed to help individuals on their health journey maintain good health today and prevent and manage chronic diseases in the future.

We are developing a proprietary platform that uses Radio Frequency ("RF") technology, which we believe will enable the creation of low-cost and scalable sensors that are small enough to fit into a wearable and other small form factors. We expect that our platform will provide users with the ability to measure and continuously monitor vital health data and provide actionable feedback to jumpstart changes in behaviors.

Our platform is the foundation for our first product in development, which is a non-invasive and cuffless wearable that simultaneously measures glucose, blood pressure and heart rate. It is intended to combine the functionality of a continuous glucose monitor ("CGM") and a cuffless RF-based blood pressure monitor ("rBPM ®") into one wearable device. Once developed, we believe it will allow users to manage their health with confidence and in a manner that best fits their lifestyle, ultimately improving health outcomes.

Risks Related to Our Business

An investment in our common stock involves a high degree of risk. You should carefully consider the risks summarized below. These risks are discussed more fully in the "Risk Factors" section of this prospectus immediately following this prospectus summary. These risks include, but are not limited to, the following:

- We have a history of operating losses, and we may never achieve or maintain profitability.
- If we fail to obtain and maintain necessary regulatory clearances or approvals for our proposed wearable product, or if clearances or approvals for other future applications and indications are delayed or not issued, our commercial operations will be harmed.
- Our efforts may never result in the successful development of commercial applications based on our technology.
- Expected net proceeds from this offering are not expected to be sufficient for us to complete the development and commercialization of our proposed wearable product or the balance of our long-term business plan, and if we are unable to raise additional capital when needed, we may be required to curtail the development of our technology or materially curtail or reduce our operations.
- Our limited operating history makes it difficult to evaluate our current business, predict our future results or forecast our financial performance and growth.
- Competition in the glucose and blood pressure monitoring market is intense and we may be unable to successfully compete.
- We will depend on third parties to design, manufacture and seek regulatory approval of our planned products. If any third party fails to successfully design, manufacture and gain regulatory approval of our planned products, our business will be materially harmed.
- If we are unable to protect our intellectual property, our financial condition, results of operations and the value of our technology and products could be adversely affected.

Implications of Being an Emerging Growth Company

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and, for as long as we continue to be an "emerging growth company," we expect to take advantage of exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies," including, but not limited to, (i) being required to present only two years of audited financial statements and related financial disclosure, (ii) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act of 2002, (iii) extended transition periods available under the JOBS Act for complying with new or revised accounting standards, (iv) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and (v) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We could be an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our annual gross revenues exceed $1.07 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Securities Exchange Act ("Exchange Act") of 1934, as amended, which would occur if the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than $1 billion in non-convertible debt during the preceding three-year period.

We are also a "smaller reporting company" and will remain a smaller reporting company while either (i) the market value of our stock held by non-affiliates was less than $250 million as of the last business day of our most recently completed second fiscal quarter or (ii) our annual revenue was less than $100 million during our most recently completed fiscal year and the market value of our stock held by non-affiliates was less than $700 million as of the last business day of our most recently completed second fiscal quarter. If we are still considered a "smaller reporting company" at such time as we cease to be an "emerging growth company," we will be subject to increased disclosure requirements. However, the disclosure requirements will still be less than they would be if we were not considered either an "emerging growth company" or a "smaller reporting company." Specifically, similar to "emerging growth companies", "smaller reporting companies" are able to provide simplified executive compensation disclosures in their filings; are exempt from the provisions of Section 404(b) of the Sarbanes-Oxley Act requiring that independent registered public accounting firms provide an attestation report on the effectiveness of internal control over financial reporting; and have certain other decreased disclosure obligations in their Securities and Exchange Commission filings, including, among other things, being required to provide only two years of audited financial statements in annual reports.

Market and Industry Data

This prospectus contains estimates, projections and other information concerning our industry, our business, and the markets for our products, including data regarding the estimated size of those markets and their projected growth rates, as well as market research, estimates and forecasts prepared by our management. Unless otherwise expressly stated, we obtained this industry, business, market and other data from publicly available information, reports, research surveys, studies and similar data prepared by market research firms and other third parties, industry and general publications, government data and similar sources. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties and actual events or circumstances may differ materially from events and circumstances that are assumed in this information based on various factors, including those discussed under the heading 'Risk Factors" and elsewhere in this prospectus. We believe that these sources and estimates are reliable but have not independently verified them and cannot guarantee their accuracy or completeness. We caution you not to give undue weight to such projections, assumptions and estimates.

Corporate Information

We were incorporated in Delaware in January 2018 under the name Maestro Sensors Inc. On August 3, 2018, we changed our name to Movano Inc. Our principal executive offices are located at 6200 Stoneridge Mall Rd., Suite 300, Pleasanton, CA 94588, and our telephone number is (415) 651-3172. Our website address is www.movano.com. The information contained on, or accessible through, our website is not incorporated by reference into this prospectus, and you should not consider any information contained in, or that can be accessed through, our website as part of this prospectus or in deciding whether to purchase our common stock.

Qualified Small Business Stock

We believe that upon the close of this offering (i) we will be an "eligible corporation" as defined in Section 1202(e)(4) of the Internal Revenue Code of 1986, as amended, or Code, (ii) we will not have made any purchases of our own stock during the one-year period preceding the closing having an aggregate value exceeding 5% of the aggregate value of all our stock as of the beginning of such period and (iii) our aggregate gross assets, as defined by Code Section 1202(d)(2), at no time and through the closing will have exceeded or will exceed $50 million, taking into account the assets of any corporations required to be aggregated with us in accordance with Code Section 1202(d)(3). As such, we believe that the common stock offered hereby should be "qualified small business stock" pursuant to Code Section 1202(c). Certain prospective purchasers may be eligible for an exemption from federal income tax on capital gains with respect to "qualified small business stock" held for more than five years. For such exemption to apply to such purchaser, we will have to meet certain active business tests during substantially all of the prospective purchaser's holding period, which tests may be impacted by our future operations and our utilization of the proceeds of this offering. We cannot assure that we will meet all or any of such tests during substantially all of a prospective purchaser's holding period. Prospective purchasers should consult their own tax advisors with regard to the applicability or interpretation of Section 1202 of the Code.

THE OFFERING

Common Stock Offered By Us	7,200,000 shares
Common Stock Outstanding After This Offering	29,549,412 shares (1)(2)
Over-allotment Option	We have granted the underwriter the option to purchase up to an additional 1,080,000 shares from us at the public offering price, less the underwriting discount, within 45 days of the date of this prospectus, to cover over-allotments, if any.
Use of Proceeds	We estimate that the net proceeds from this offering will be approximately $32.1 million (or approximately $37.1 million if the underwriter exercises in full its over-allotment option). We intend to use the net proceeds from this offering to fund product development and for working capital and other general corporate purposes. See "Use of Proceeds" for additional information.
Risk Factors	See the section entitled "Risk Factors" and other information included in this prospectus for a discussion of factors you should carefully consider before deciding to invest in shares of our common stock.
Proposed Nasdaq Capital Market symbol	MOVE

(1) The number of shares of our common stock to be outstanding after this offering is based on 6,393,069 shares of common stock outstanding as of December 31, 2020, gives effect to the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock, and excludes the following:

- 961,743 shares of common stock issuable upon the exercise of outstanding warrants, at a weighted average exercise price of $2.08 per share;
- 3,188,011 shares of our common stock issuable upon the exercise of outstanding stock options issued pursuant to our Omnibus Incentive Plan at a weighted average exercise price of $0.66 per share;
- 1,254,489 shares of our common stock reserved for future issuance under our Omnibus Incentive Plan; and
- shares of our common stock issuable upon exercise of the underwriter warrant.

(2) Except as otherwise indicated herein, all information in this prospectus assumes or gives effect to:

- the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock immediately prior to the completion of this offering;
- the adoption of our Third Amended and Restated Certificate of Incorporation and Amended and Restated Bylaws in connection with the consummation of this offering; and
- no exercise of the underwriter's over-allotment option.

SUMMARY SELECTED FINANCIAL DATA

The following tables set forth a summary of our historical financial data at, and for the period ended on, the dates indicated. We have derived the balance sheet data as of December 31, 2020 and 2019 and the statements of operations data for the years ended December 31, 2020 and December 31, 2019 from our audited financial statements included in this prospectus. You should read this data together with our financial statements and related notes appearing elsewhere in this prospectus and the section of this prospectus entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations."

Statement of Operations Data
(in thousands, except share and per share data)

	Year Ended December 31, 2020	Year Ended December 31, 2019
Operating expenses:		
Research and development	$ 8,373	$ 6,515
General and administrative	2,734	1,997
Total operating expenses	11,107	8,512
Loss from operations	(11,107)	(8,512)
Other income (expense), net	(1,924)	72
Net loss and comprehensive loss	(13,031)	(8,440)
Accretion and dividends on redeemable convertible preferred stock	(8,914)	(6,041)
Net loss attributable to common stockholders	$ (21,945)	$ (14,481)
Net loss per share attributable to common stockholders, basic and diluted [(1)]	$ (6.85)	$ (9.18)
Shares used in computing net loss per share attributable to common stockholders, basic and diluted	3,201,430	1,577,714
Pro forma net loss per share, basic and diluted, attributable to common stockholders (unaudited)[(1)]	[●]	
Weighted average shares used in computing pro forma net loss per share attributable to common stockholders, basic and diluted	[●]	

(1) See Notes 3 and 14 to our audited financial statements included elsewhere in this prospectus for an explanation of the method used to calculate historical and pro forma basic and diluted net loss per share attributable to common stockholders.

	December 31, 2020	December 31, 2019
Assets		
Cash and cash equivalents	$ 5,710	$ 4,291
Prepaid expenses and other current assets	1,191	222
Property and equipment, net	38	51
Other assets	144	323
Total assets	$ 7,083	$ 4,887
Liabilities, Redeemable Convertible Preferred Stock and Stockholders' Deficit		
Accounts payable	$ 246	$ 15
Other current liabilities	914	843
Convertible promissory notes, net	11,342	-
Derivative liability	121	-
Warrant liability	1,549	32
Other noncurrent liabilities	973	-
Total liabilities	15,145	890
Redeemable convertible preferred stock	32,818	23,904
Common stock	1	-
Accumulated deficit	(40,881)	(19,907)
Stockholders' deficit	(40,880)	(19,907)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 7,083	$ 4,887

RISK FACTORS

An investment in our common stock is speculative and involves a high degree of risk, including the risk of a loss of your entire investment. You should carefully consider the risks and uncertainties described below and the other information contained in this prospectus before purchasing any common stock.

The risks set forth below are not the only ones facing our Company. Additional risks and uncertainties may exist that could also adversely affect our business, operations and prospects. If any of the following risks actually materialize, or if additional risks and uncertainties that are not presently known to us or that we currently deem immaterial later materialize, our business, financial condition, prospects and/or operations could suffer. In such event, the value of your investment could decline, and you could lose all or a substantial portion of the money that you pay for the common stock.

The risks discussed below include forward-looking statements, and our actual results may differ substantially from those discussed in these forward-looking statements. See "Special Note Regarding Forward-Looking Statements and Other Information Contained in this Prospectus."

Risks Related to Our Business

We are a recently-formed, start-up, development-stage technology company with no history of generating revenue, have a history of operating losses, and we may never achieve or maintain profitability.

We are a technology company that was formed in January 2018. We have a very limited operating history and have engaged in only limited research and development activities relating to our proposed technology. The likelihood of success of our business plan must be considered in light of the challenges, substantial expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding early-stage businesses and the regulatory and competitive environment in which we operate. Technology product development is a highly speculative undertaking, involves a substantial degree of risk and is a capital-intensive business.

As of December 31, 2020, we had an accumulated deficit of approximately $40.9 million. Even assuming the sale of the common stock in this offering, without additional capital our existing cash and cash equivalents will be insufficient to fully fund our business plan. We expect to continue to incur losses for the foreseeable future, and these losses will likely increase as we prepare for and begin to commercialize our first product. Our ability to achieve revenue-generating operations and, ultimately, achieve profitability will depend on whether we can obtain additional capital when we need it, complete the development of our technology, receive regulatory approval of our technology, potentially find strategic collaborators that can incorporate our technology into applications which can be successfully commercialized and achieve market acceptance. There can be no assurance that we will ever generate revenues or achieve profitability. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods.

We may be unable to continue as a going concern if we do not successfully raise additional capital on favorable terms, or at all, or if we fail to generate sufficient revenue from operations.

Primarily as a result of our lack of revenue, history of losses to date and our lack of liquidity, there is substantial uncertainty as to our ability to continue as a going concern. As of December 31, 2020, we had total assets of approximately $7.1 million and total liabilities of approximately $15.1 million. We expect our operating costs to be substantial as we incur costs related to the development of our proposed technologies and products and that we will operate at a loss for the foreseeable future. As described below under "Use of Proceeds," we believe that the net proceeds from this offering, together with our current cash, will be sufficient to fund the development and internal and external testing of our planned wearable product to the point where we are able to generate data that will enable us to submit to FDA the 510(k) clearance application for this product. However, the expected net proceeds from this offering are not expected to be sufficient for us to complete the development and commercialization of our proposed wearable product or the balance of our long-term business plan. Our forecast of the period of time through which our financial resources will be adequate to support our operations is a forward-looking statement and involves risks and uncertainties, and actual results could vary as a result of a number of factors, including the factors discussed elsewhere in this "Risk Factors" section. We have based this estimate on assumptions that may prove to be wrong, and we could utilize our available capital resources sooner than we currently expect.

We do not have any prospective arrangements or credit facilities as a source of future funds after this offering, and there can be no assurance that we will be able to raise sufficient additional capital on acceptable terms, or at all. If we are unable to raise additional capital or if we are unable to generate sufficient revenue from our operations, we may not stay in business. We may seek additional capital through a combination of private and public equity offerings, debt financings and strategic collaborations. If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our existing stockholders could be significantly diluted and these newly-issued securities may have rights, preferences or privileges senior to those of holders of the common stock offered hereby. Debt financing, if obtained, may involve agreements that include covenants limiting or restricting our ability to take specific actions, such as incurring additional debt, which could increase our expenses and require that our assets secure such debt. Moreover, any debt we incur must be repaid regardless of our operating results. However, we do not own any significant assets that we expect could serve as acceptable collateral for a bank or other commercial lender. The above circumstances may discourage some investors from purchasing our stock, lending us money or from providing alternative forms of financing. In addition, the current economic instability in the world's equity and credit markets may materially adversely affect our ability to sell additional securities and/or borrow cash. There can be no assurance that we will be able to raise additional working capital on acceptable terms or at all.

If we are unable to raise additional capital when needed, we may be required to curtail the development of our technology or materially curtail or reduce our operations. We could be forced to sell or dispose of our rights or assets. Any inability to raise adequate funds on commercially reasonable terms would have a material adverse effect on our business, results of operation and financial condition, including the possibility that a lack of funds could cause our business to fail and liquidate with little or no return to investors.

Even if we take these actions, they may be insufficient, particularly if our costs are higher than projected or unforeseen expenses arise. Additionally, if we raise additional funds through collaborations, strategic alliances or marketing, distribution or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or products or to grant licenses on terms that may not be favorable to us. If we choose to expand more rapidly than we presently anticipate, we may also need to raise additional capital sooner than expected.

Our efforts may never demonstrate the feasibility of any product.

We have developed a working prototype of our proposed wearable product that is capable of generating data we believe will be able to be used to measure blood glucose and blood pressure levels, but significant additional research and development activity will be required before we achieve a commercial product. We have conducted limited studies to compare the data our prototype device generates to measurements from conventional blood glucose and blood pressure measuring tools, and we are using the data generated in those studies to refine our product design and to develop the algorithms our product in development will utilize. However, we have not yet conducted any studies that demonstrate that our planned product is able to measure blood glucose or blood pressure levels at any particular accuracy level and we may never be able to complete any clinical studies that demonstrate accuracy levels that would be necessary for a commercial product. Our research and development efforts remain subject to all of the risks associated with the development of new products based on emerging technologies, including unanticipated technical or other problems and the possible insufficiency of funds needed in order to complete development of these products and enable us to execute our business plan. Any such problems may result in delays and cause us to incur additional expenses that would increase our losses. If we cannot complete, or if we experience significant delays in, developing our technology and products and services based on such technology for use in potential commercial applications, particularly after incurring significant expenditures, our business may fail. To our knowledge, the technological concepts we are applying to develop commercial applications have not previously been successfully applied by anyone else.

Accordingly, you should consider our prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by companies in the early stages of development, especially technology companies such as ours. Potential investors should carefully consider the risks and uncertainties that a company with a limited operating history typically faces. In particular, potential investors should consider that we cannot assure you that we will be able to:

- successfully implement or execute our current business plan, or that our business plan is sound;
- successfully develop the radio frequency ("RF") based technology necessary to develop our planned wearable product having the functionality and characteristics we discuss herein;
- successfully develop a prototype or a practical, efficient or economical commercial version of one or more products;
- obtain any additional issued patents;

- successfully develop proprietary technology and trade secrets and secure market exclusivity and/or adequate intellectual property protection for our products by way of patent protection or otherwise;
- successfully protect any such proprietary technology and trade secrets from competitors and third parties claiming infringement or misappropriation;
- attract and retain an experienced management and advisory team; and
- raise sufficient funds in the capital markets to effectuate our business plan, including for the development and commercialization of our products.

If we cannot successfully execute any one of the foregoing, our business may not succeed and your investment will be adversely affected.

We face competition from other technology companies and our operating results will suffer if we fail to compete effectively.

The technology industry, generally, and the glucose and blood pressure monitoring and general wellness markets, in particular, are intensely competitive, subject to rapid change, and significantly affected by new product introductions and other market activities by industry participants. To compete successfully, we will need to demonstrate the advantages of our products and technologies over well-established alternative solutions, products and technologies, as well as newer ones, and convince consumers and enterprises of the advantages of our products and technologies. Traditional glucometers and blood pressure monitors remain an inexpensive alternative to our proposed wearable product. With respect to our planned wearable product, we will face direct and indirect competition from a number of competitors who have developed or are developing products for continuous or periodic monitoring of glucose and blood pressure levels as well as general wellness, and we anticipate that other companies will develop additional competitive products in the future. We have existing competitors and potential new competitors, many of which have or will have substantially greater name recognition, financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and sales and marketing of approved products than we have. Mergers and acquisitions in the pharmaceutical, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. Established competitors may invest heavily to quickly discover and develop novel technologies that could make obsolete or uneconomical the technology or the products that we plan to develop. Other small or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. Any new product that we develop that competes with a competitor's existing or future product may need to demonstrate compelling advantages in cost, convenience, quality, and safety to be commercially successful. In addition, new products developed by others could emerge as competitors to our proposed product development candidates. If our technology under development or our future products are not competitive based on these or other factors, our business would be harmed, and our financial condition and operations will suffer. For additional information regarding our competition, see the "Business – Competition" section of this prospectus.

The outbreak of the novel strain of coronavirus, SARS-CoV-2, which causes COVID-19, has and could continue to adversely impact our business.

Public health crises such as pandemics or similar outbreaks could adversely impact our business. In December 2019, a novel strain of coronavirus, SARS-CoV-2, which causes coronavirus disease 2019 ("COVID-19"), surfaced in Wuhan, China. Since then, COVID-19 has spread to countries around the world and has been declared a pandemic by the World Health Organization. Beginning in February 2020, we undertook temporary precautionary measures to help minimize the risk of the virus to our employees, including by temporarily requiring most employees to work remotely, pausing all non-essential travel worldwide for our employees, and limiting employee attendance at industry events and in-person work-related meetings, to the extent those events and meetings are continuing. We also took certain actions to reduce our cash expenses and changed the way we worked with certain of our outside vendors in an effort to mitigate potential delays in our development programs caused by the effects the pandemic was having on the operations of such vendors. We may take additional measures, any of which could negatively affect our business. In addition, third-party actions taken to contain the spread and mitigate the public health effects of COVID-19 may negatively affect our business.

As a result of the COVID-19 outbreak, or similar pandemics, we have and may in the future experience disruptions that could severely impact our business, including:

- interruption of attendance at industry events due to limitations on travel imposed or recommended by federal or state governments, employers and others;
- absenteeism or loss of employees at the Company, or at our collaborator companies, due to health reasons or government restrictions or otherwise, that are needed to develop, validate and perform other necessary functions for our operations;
- government responses, including orders that make it difficult for us to remain open for business, and other seen and unforeseen actions taken by government agencies;
- equipment failures, loss of utilities and other disruptions that could impact our operations or render them inoperable; and
- effects of a local or global recession or depression that could depress economic conditions for a prolonged period and limit access to capital by the Company.

These and other factors arising from the COVID-19 pandemic could worsen in the United States or locally at the location of our offices or the offices of our collaborator companies, each of which could further adversely impact our business generally and could have a material adverse impact on our operations and financial condition and results.

If we are not successful in attracting and retaining highly qualified personnel, we may not be able to successfully implement our business strategy. In addition, the loss of the services of our founder would adversely impact our business prospects.

Our ability to implement our business plan depends in large part upon our ability to attract and retain highly qualified managerial and engineering personnel. We will need to hire additional personnel as we further develop our products. Competition for skilled personnel in our market is intense and competition for experienced engineers may limit our ability to hire and retain highly qualified personnel on acceptable terms. Despite our efforts to retain valuable employees, members of our management and engineering teams may terminate their employment with us on short notice. The loss of the services of any of our executive officers or other key employees could potentially harm our business, operating results or financial condition. In particular, we believe that the loss of the services of our founder, Michael Leabman, would have a material adverse effect on our business. Currently, we do not maintain key man insurance policies with respect to any of our executive officers or employees.

Our success also depends on our ability to continue to attract, retain and motivate highly skilled junior, mid-level and senior managers as well as junior, mid-level and senior engineering personnel. Other technology companies with which we compete for qualified personnel have greater financial and other resources, different risk profiles and longer histories than we have. They also may provide more diverse opportunities and better chances for career advancement. Some of these characteristics may be more appealing to high-quality candidates than what we have to offer. If we are unable to continue to attract and retain high-quality personnel, the rate and success at which we can develop and commercialize products would be limited.

We are subject to risks associated with our utilization of consultants.

To improve productivity and accelerate our development efforts while we build out our own engineering team, we use experienced consultants to assist in selected business functions, including the development of our integrated circuits. We take steps to monitor and regulate the performance of these independent third parties. However, arrangements with third party service providers may make our operations vulnerable if these consultants fail to satisfy their obligations to us as a result of their performance, changes in their own operations, financial condition or other matters outside of our control. Effective management of our consultants is important to our business and strategy. The failure of our consultants to perform as anticipated could result in substantial costs, divert management's attention from other strategic activities or create other operational or financial problems for us. Terminating or transitioning arrangements with key consultants could result in additional costs and a risk of operational delays, potential errors and possible control issues as a result of the termination or during the transition.

We will need to grow the size of our organization, and we may experience difficulties in managing this growth.

As we expand our activities, there will be additional demands on our financial, technical, operational and management resources. To manage our anticipated future growth, we must continue to implement and improve our financial, technical, operational and management systems and continue to recruit and train additional qualified personnel. Due to our limited financial resources and operating history, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations.

We may acquire businesses or products, or form strategic alliances, in the future, and we may not realize the benefits of such acquisitions.

We may acquire additional businesses or products, form strategic alliances or create joint ventures with third parties that we believe will complement or augment our existing business. If we acquire businesses with promising markets or technologies, we may not be able to realize the benefit of acquiring such businesses if we are unable to successfully integrate them with our existing operations and company culture. We may encounter numerous difficulties in developing, manufacturing and marketing any new products resulting from a strategic alliance or acquisition that delay or prevent us from realizing their expected benefits or enhancing our business. We cannot assure you that, following any such acquisition, we will achieve the expected synergies to justify the transaction.

We received funds from the Paycheck Protection Program enacted by Congress under the Coronavirus Aid, Relief and Economic Security Act, which funds must be repaid if we do not meet the criteria for forgiveness established by the U.S. Small Business Administration.

On April 23, 2020, we obtained a loan in the amount of approximately $351,000 ("PPP Loan") pursuant to the Paycheck Protection Program ("PPP") under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") that was signed into law in March 2020. In accordance with the PPP, we are permitted to use the PPP Loan proceeds to fund designated expenses, including certain payroll costs, rent, utilities and other permitted expenses. On May 7, 2020, we elected to fully repay the PPP Loan until further guidance on the eligibility requirements were provided by the lending authorities. On May 27, 2020, we again obtained a loan in the amount of approximately $351,000. The PPP Loan is evidenced by a promissory note ("PPP Note"), dated effective May 27, 2020. The PPP Loan is unsecured with a 2-year term, matures on May 27, 2022, and bears interest at a rate of 1.00% per annum, payable monthly commencing on November 27, 2020, following an initial deferral period as specified under the PPP. Under the terms of the PPP, the PPP Loan may be prepaid at any time prior to maturity with no prepayment penalties. In addition, up to the entire amount of principal and accrued interest may be forgiven to the extent the PPP Loan proceeds are used for qualifying expenses as described in the CARES Act and applicable implementing guidance issued by the U.S. Small Business Administration ("SBA") under the PPP (including that at least 60% of such loan funds are used for payroll). Although we believe our use of the PPP Loan proceeds met the conditions for forgiveness of the loan and expect the loan to be forgiven, we cannot assure you that the PPP Loan will be forgiven, or that we will not take actions that could cause the PPP Loan to be ineligible for forgiveness, in whole or in part.

Risks Related to Product Development, Manufacturing and Commercialization

We are highly dependent on the success of our proposed wearable product and cannot give any assurance that it will receive regulatory approval or clearance or be successfully commercialized.

We are highly dependent on the success of our initial wearable product under development. There is no guarantee that we will be successful in the development of this or any other future product. Our proposed wearable product will require substantial additional clinical development, extensive preclinical testing and clinical trials in order to receive regulatory clearance or approval. We cannot give any assurance that our proposed wearable product will receive regulatory clearance or approval or be successfully commercialized. Any failure to obtain regulatory clearance or approval of or to successfully commercialize the proposed wearable product would have a material adverse effect on our business.

We will depend on third parties to design, manufacture, market and distribute our products. If any third party fails to successfully design, manufacture, market or distribute any of our products, our business will be materially harmed.

We expect to depend on strategic partners such as third-party original equipment manufacturers ("OEMs"), value-added resellers ("VARs") and other distributors to complete the design, manufacture, market and distribute our product under development or other future products. If these strategic partners fail to successfully complete the design, manufacture, market or distribute our product under development or other future products, our business will be materially harmed.

The products that we intend to develop are complex and will require the integration of a number of components that are themselves complex. In light of this complexity, we expect that we may determine not to complete the design of or manufacture these products ourselves and instead develop relationships with suitable third-party OEMs to complete these tasks. Similarly, we do not anticipate building a sales or marketing function and instead expect that our products under development will be marketed and sold through strategic partners such as OEMs, VARs or other distributors. We do not currently have a relationship with any OEM, VAR or other distributor, and may never be able to find any OEMs, VARs or other distributors that are willing to work with us on acceptable terms, or at all. We will have limited control over the efforts and resources that any third-party OEMs, VARs and other distributors would devote to designing, manufacturing, marketing or distributing our products under development. An OEM may not be able to successfully design and manufacture our products and such failure by an OEM could substantially harm the value of our business. Similarly, the OEMs, VARS or other distributors we engage with to market and sell our product under development may not be successful at marketing and selling such product. If we cannot find suitable strategic partners or our strategic partners do not perform as expected, our potential for revenue may be dramatically reduced and our business could be harmed.

Our business and operations would suffer in the event of system failures.

Our computer systems, as well as those of our contractors and consultants, are vulnerable to damage from computer viruses, unauthorized access, natural disasters (including earthquakes), terrorism, war and telecommunication and electrical failures. If such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs. In the ordinary course of our business, we collect and store sensitive data, including intellectual property, proprietary business information, personal data and personally identifiable information of our clinical trial subjects and employees, on our networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or internal bad actors, or breached due to employee error, a technical vulnerability, malfeasance or other disruptions. Although, to our knowledge, we have not experienced any such material security breach to date, any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information and significant regulatory penalties, and such an event could disrupt our operations, damage our reputation and cause a loss of confidence in us and our ability to conduct clinical trials, which could adversely affect our reputation and delay our development of our products.

Risks Related to Intellectual Property and Other Legal Matters

It is difficult and costly to protect our intellectual property and our proprietary technologies, and we may not be able to ensure their protection.

Our success depends significantly on our ability to obtain, maintain and protect our proprietary rights to the technologies used in our products. Patents and other proprietary rights provide uncertain protections, and we may be unable to protect our intellectual property. At December 31, 2020, we had two issued U.S. patents having a total of 60 claims, 45 pending U.S. patent applications having a total of 1,053 claims, with an earliest priority date of August 16, 2018, and six pending Patent Cooperation Treaty (PCT) International patent applications having a total of 443 pending claims.

While we plan to file additional patent applications, we may never develop any invention that results in any additional issued patents. Even if we obtain patents, we may be unsuccessful in defending our patents (and other proprietary rights) against third party challenges. Although we expect to attempt to obtain patent coverage for our technology where available and where we believe appropriate, there may be aspects of the technology for which patent coverage may never be sought or received. We may not possess the resources to or may not choose to pursue patent protection outside the United States or any or every country other than the United States where we may eventually decide to sell our future products. Our ability to prevent others from making or selling duplicate or similar technologies will be impaired in those countries in which we have no patent protection.

Any patent applications we have filed or may file in the future may never result in issued patents, or patents issued based upon such applications may issue only with limited coverage or may issue and be subsequently successfully challenged by others and held invalid or unenforceable. There may exist prior art that may prevent our patent applications from resulting in issued patents, and there may be other inventors who file patent applications on inventions that are the same or similar to ours or that otherwise may be found to anticipate our inventions before we file patent applications of our own on our inventions, which may result in the issue of patents on our inventions or similar or anticipatory inventions to those other inventors.

Even if patents issue based on our current or any future applications, any issued patents may not provide us with any competitive advantages. Competitors may be able to design around our patents or develop products that provide outcomes comparable or superior to ours. Our patents may be held invalid or unenforceable as a result of legal challenges by third parties, and others may challenge the inventorship or ownership of our patents and pending patent applications. In addition, if we choose to and are able to secure protection in countries outside the United States, the laws of some foreign countries may not protect our intellectual property rights to the same extent as do the laws of the United States. In the event a competitor infringes upon our patents or other intellectual property rights, enforcing those rights may be difficult, expensive and time consuming and we may elect not to enforce our patents or other intellectual property rights based on the facts and circumstances known to us at the time. Even if successful, litigation to enforce our intellectual property rights or to defend our patents against challenge could be expensive and time consuming and could divert our management's attention. We do not now have and may not have in the future, even assuming the success of this offering, sufficient resources to enforce our intellectual property rights or to defend our patents against a challenge.

If we are unable to protect the confidentiality of our proprietary information and know-how, the value of our technology and products could be adversely affected.

In addition to our patent activities, we rely upon, among other things, unpatented proprietary technology, processes, trade secrets and know-how. Any involuntary disclosure to or misappropriation by third parties of our confidential or proprietary information could enable competitors to duplicate or surpass our technological achievements, potentially eroding our competitive position in our market. While we require all of our employees, consultants, advisors and any third parties who have access to our proprietary know-how, information and technology to enter into confidentiality agreements, we cannot be certain that this know-how, information and technology will not be disclosed or that competitors will not otherwise gain access to our trade secrets or independently develop substantially equivalent information and techniques. These agreements may be terminated or breached, and we may not have adequate remedies for any such termination or breach. Furthermore, these agreements may not be enforceable or provide meaningful protection for our trade secrets and know-how in the event of unauthorized use or disclosure. The disclosure of trade secrets or other proprietary information would impair our competitive position and may materially harm our business.

We may in the future be a party to intellectual property litigation or administrative proceedings that could be costly and could interfere with our ability to develop our products.

Because our industry is characterized by competing intellectual property, we may be sued for violating the intellectual property rights of others. Determining whether a product infringes a patent involves complex legal and factual issues, and the outcome of patent litigation actions is often uncertain. We have not conducted any significant search of patents issued to third parties, and no assurance can be given that third party patents containing claims covering our product under development, parts of our product under development, technology or methods do not exist, have not been filed, or could not be filed or issued. Because of the number of patents issued and patent applications filed in our technical areas or fields, our competitors or other third parties may assert that our products and the methods we plan to employ in the use of our products are covered by United States or foreign patents held by them. In addition, because patent applications can take many years to issue and because publication schedules for pending applications vary by jurisdiction, there may be applications now pending of which we are unaware, and which may result in issued patents that our product under development or other future products would infringe. Also, because the claims of published patent applications can change between publication and patent grant, there may be published patent applications that may ultimately issue with claims that we infringe. There could also be existing patents that one or more of our future products or parts may infringe and of which we are unaware. As the number of competitors in our market increases, and as the number of patents issued in this area grows, the possibility of patent infringement claims against us increases. Some of our competitors may be able to sustain the costs of complex patent litigation more effectively than we can because they have substantially greater resources. In addition, any uncertainties resulting from the initiation and continuation of any litigation could have a material adverse effect on our ability to raise the funds necessary to continue our operations.

In the event that we become subject to a patent infringement or other intellectual property lawsuit and if the relevant patents or other intellectual property were upheld as valid and enforceable and we were found to infringe or violate the terms of a license to which we are a party, we could be prevented from selling any infringing products of ours unless we could obtain a license or were able to redesign the product to avoid infringement. If we were unable to obtain a license or successfully redesign, we might be prevented from selling our product under development or other future products. If there is an allegation or determination that we have infringed the intellectual property rights of a competitor or other person, we may be required to pay damages, or a settlement or ongoing royalties. In these circumstances, we may be unable to sell our products at competitive prices or at all, and our business could be harmed.

We may be subject to claims that our employees, consultants or independent contractors have wrongfully used or disclosed confidential information of their former employers or other third parties or claims asserting ownership of what we regard as our own intellectual property.

We do and may employ and contract with individuals who were previously employed by other technology companies. Although we seek to protect our ownership of intellectual property rights by ensuring that our agreements with our employees, collaborators and other third parties with whom we do business include provisions requiring such parties to assign rights in inventions to us and to not use the know-how or confidential information of their former employer or other third parties, we cannot guarantee that we have executed such agreements with all applicable parties. We may be subject to claims that we or our employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of our employees' former employers or other third parties. We may also be subject to claims that former employers or other third parties have an ownership interest in our patents. Litigation may be necessary to defend against these claims. There is no guarantee of success in defending these claims, and if we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable personnel or intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Even if we are successful, litigation could result in substantial cost and be a distraction to our management and other employees.

In addition, while it is our policy to require our employees, contractors and other third parties who may be involved in the conception or development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who, in fact, conceives or develops intellectual property that we regard as our own. The assignment of intellectual property rights under such agreements may not be self-executing, or the assignment agreements may be breached, and we may be forced to bring claims against third parties, or defend claims that they may bring against us, to determine the ownership of what we regard as our intellectual property. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

We could become subject to product liability claims, product recalls and warranty claims that could be expensive, divert management's attention and harm our business.

Our business exposes us to potential liability risks that are inherent in the manufacturing, marketing and sale of products used by consumers. We may be held liable if our product under development or other future products cause injury or death or are found otherwise unsuitable during usage. Our future products to be developed are expected to incorporate sophisticated components and computer software. Complex software can contain errors, particularly when first introduced. In addition, new products or enhancements may contain undetected errors or performance problems that, despite testing, are discovered only after installation. While we believe our technology will be safe, because our proposed wearable product is an RF-based technology that is being designed to be used in close proximity to users, users may allege or possibly prove defects, some of which could be alleged or proved to cause harm to users or others. A product liability claim, regardless of its merit or eventual outcome, could result in significant legal defense costs. We cannot guarantee that we will be able to obtain products liability insurance; if we do, however, the coverage limits of any insurance policies that we may choose to purchase to cover related risks may not be adequate to cover future claims, and the cost of insurance, if obtainable, could be prohibitive. If sales of our products increase or we suffer future product liability claims, we may be unable to maintain product liability insurance in the future at satisfactory rates or with adequate amounts. A product liability claim, any product recalls or excessive warranty claims, whether arising from defects in design or manufacture or otherwise, could negatively affect our sales or require a change in the design or manufacturing process, any of which could harm our reputation and result in a decline in revenue, each of which would harm our business.

In addition, if a product we designed or manufactured is defective, whether due to design or manufacturing defects, improper use of the product or other reasons, we may be required to notify regulatory authorities and/or to recall the product. A required notification to a regulatory authority or recall could result in an investigation by regulatory authorities of our products, which could in turn result in required recalls, restrictions on the sale of the products or other penalties. The adverse publicity resulting from any of these actions could adversely affect the perception of customers and potential customers. These investigations or recalls, especially if accompanied by unfavorable publicity, could result in our incurring substantial costs, losing revenues and damaging our reputation, each of which would harm our business.

Risks Related to Regulation

We expect to need FDA clearance or approval for our planned wearable product, which may be difficult to achieve, and existing laws or regulations or future legislative or regulatory changes may affect our business.

Our proposed wearable product will be subject to current and future regulation by the Food and Drug Administration ("FDA") and may be subject to regulation by other federal, state and local agencies. These agencies and regulations require manufacturers of medical devices to comply with applicable laws and regulations governing development, testing, manufacturing, labeling, marketing and distribution of medical devices. Devices are generally subject to varying levels of regulatory control, based on the risk level of the device. Governmental regulations specific to medical devices are wide-ranging and govern, among other things:

- product design, development and manufacture;
- laboratory, pre-clinical and clinical testing, labeling, packaging, storage and distribution;
- premarketing clearance or approval;
- record keeping;
- product marketing, promotion and advertising, sales and distribution; and
- post-marketing surveillance, including reporting of deaths or serious injuries and recalls and correction and removals.

Before a new medical device or a new intended use for an existing product can be marketed in the United States, a company must first submit and receive either 510(k) clearance or premarketing approval ("PMA") from FDA, unless an exemption applies. The typical duration to receive a 510(k) approval is approximately nine to twelve months from the date of the initial 510(k) submission and the typical duration to receive a PMA approval is approximately two years from the date of submission of the initial PMA application, although there is no guarantee that the timing will not be longer.

We expect our proposed wearable product would be classified as a Class II medical device that will require a 510(k) clearance prior to marketing. In some instances, the 510(k) pathway for product marketing may be used with only proof of substantial equivalence in technology for a given indication with a lawfully marketed device (a "predicate device"). In other instances, FDA may require additional clinical work to prove efficacy in addition to technological equivalence and basic safety. Whether clinical data is provided or not, FDA may decide to reject the substantial equivalence argument we present. If that happens, our device would be automatically designated as a Class III device and we would have to fulfill the more rigorous PMA requirements, or request a "de novo" reclassification of the device into Class I or II. Thus, although at this time we do not anticipate that we will be required to do so, it is possible that one or more of our planned products may require PMA approval de novo reclassification.

We may not be able to obtain the necessary clearances or approvals or may be unduly delayed in doing so, which could harm our business. Furthermore, even if we are granted regulatory clearances or approvals, they may include significant limitations on the indicated uses for the product, which may limit the market for the product. Delays in obtaining clearance or approval could increase our costs and harm our revenues and growth.

In addition, we will be required to timely file various reports with FDA, including reports required by the medical device reporting regulations that require us to report to certain regulatory authorities if our devices may have caused or contributed to a death or serious injury or malfunctioned in a way that would likely cause or contribute to a death or serious injury if the malfunction were to recur. If these reports are not filed timely, regulators may impose sanctions and sales of our products may suffer, and we may be subject to regulatory enforcement actions, all of which could harm our business.

If we initiate a correction or removal for one of our devices to reduce a risk to health posed by the device, we would be required to submit a publicly available Correction and Removal report to FDA and, in many cases, similar reports to other regulatory agencies. This report could be classified by FDA as a device recall which could lead to increased scrutiny by FDA, other international regulatory agencies and our customers regarding the quality and safety of our devices. Furthermore, the submission of these reports has been and could be used by competitors against us in competitive situations and cause customers to delay purchase decisions or cancel orders and would harm our reputation.

FDA and FTC also regulate the advertising and promotion of our products to ensure that the claims we make are consistent with our regulatory clearances, that there are adequate and reasonable data to substantiate the claims and that our promotional labeling and advertising is neither false nor misleading in any respect. If FDA or FTC determines that any of our advertising or promotional claims are misleading, not substantiated or not permissible, we may be subject to enforcement actions, including warning letters, and we may be required to revise our promotional claims and make other corrections or restitutions.

FDA and state authorities have broad enforcement powers. Our failure to comply with applicable regulatory requirements could result in enforcement action by FDA or state agencies, which may include any of the following sanctions:

- adverse publicity, warning letters, fines, injunctions, consent decrees and civil penalties;
- repair, replacement, refunds, recall or seizure of our products;
- operating restrictions, partial suspension or total shutdown of production;
- refusing our requests for 510(k) clearance or PMA of new products, new intended uses or modifications to existing products;
- withdrawing 510(k) clearance or PMAs that have already been granted; and
- criminal prosecution.

If any of these events were to occur, our business and financial condition would be harmed.

The cost of compliance with new laws or regulations governing our technology or future products could adversely affect our financial results. New laws or regulations may impose restrictions or obligations on us that could force us to redesign our technology under development or other future products, and may impose restrictions that are not possible or practicable to comply with, which could cause our business to fail. We cannot predict the impact on our business of any legislation or regulations related to our technology or future products that may be enacted or adopted in the future.

If any OEMs contracted to manufacture our proposed wearable product fail to comply with FDA's Quality System Regulations or other regulatory bodies' equivalent regulations, manufacturing operations could be delayed or shut down and the development of our proposed wearable product could suffer.

The manufacturing processes of third-party OEMs are required to comply with FDA's Quality System Regulations and other regulatory bodies' equivalent regulations, which cover the procedures and documentation of the design, testing, production, control, quality assurance, labeling, packaging, storage and shipping of our planned wearable, non-invasive, wearable product. They may also be subject to similar state requirements and licenses and engage in extensive recordkeeping and reporting and make available their manufacturing facilities and records for periodic unannounced inspections by governmental agencies, including FDA, state authorities and comparable agencies in other countries. If any OEM fails such an inspection, our operations could be disrupted and our manufacturing interrupted. Failure to take adequate corrective action in response to an adverse inspection could result in, among other things, a shut-down of our manufacturing operations, significant fines, suspension of marketing clearances and approvals, seizures or recalls of our products, operating restrictions and criminal prosecutions, any of which would cause our business to suffer. Furthermore, these OEMs may be engaged with other companies to supply and/or manufacture materials or products for such companies, which would expose our OEMs to regulatory risks for the production of such materials and products. As a result, failure to meet the regulatory requirements for the production of those materials and products may also affect the regulatory clearance of a third-party manufacturers' facility. If FDA determines that any of the facilities that manufacture of our proposed wearable product is not in compliance with applicable requirements, we may need to find alternative manufacturing facilities, which would impede or delay our ability to develop, obtain regulatory clearance or approval for, or market our proposed wearable product, if developed and approved. Additionally, our key component suppliers may not currently be or may not continue to be in compliance with applicable regulatory requirements, which may result in manufacturing delays for our product and cause our results of operations to suffer.

We expect our planned wearable product to be subject to certain Federal Communication Commission ("FCC") regulations.

Our RF-based technology involves the transmission of RF energy, and as such, will be subject to regulation by the FCC, including the FCC's equipment authorization regulations and its regulations governing human exposure to RF energy. In particular, we expect the planned wearable product to be regulated under Part 18 of the FCC's rules governing industrial, scientific, and medical (ISM) equipment, and to be classified as consumer ISM equipment under that rule part. Based on the expected frequency and power of operation, we expect that the product will comply with the Part 18 technical specifications for these type of devices, which we will be required to verify under FCC equipment authorization procedures. We also expect, based on the device's frequency and power of operation, that the product will comply with the FCC's requirements governing human exposure to RF energy. There is the risk that the product, as we expect it to be developed, may not comply with these requirements, which could significantly affect our development costs and delay commercialization of the product. There is also the risk that we will be unable to cost effectively develop and produce a wearable product using RF technology that complies with these FCC requirements.

Our planned wearable product may in the future be subject to product recalls that could harm our reputation.

Regulatory agencies have the authority to require the recall of commercialized products in the event of material regulatory deficiencies or defects in design or manufacture. A government-mandated or voluntary recall by us could occur as a result of component failures, manufacturing errors or design or labeling defects. Recalls of our planned wearable product would divert management's attention, be expensive, harm our reputation with customers and harm our financial condition and results of operations. A recall announcement would also negatively affect the price of our securities.

Healthcare reform measures could hinder or prevent our planned wearable product's commercial success.

There have been, and we expect there will continue to be, a number of legislative and regulatory changes to the healthcare system in ways that could harm our future revenues and profitability and the future revenues and profitability of our potential customers. Federal and state lawmakers regularly propose and, at times, enact legislation that would result in significant changes to the healthcare system, some of which are intended to contain or reduce the costs of medical products and services. For example, one of the most significant healthcare reform measures in decades, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Affordability Reconciliation Act (the "Affordable Care Act"), was enacted in 2010. The Affordable Care Act contains a number of provisions, including those governing enrollment in federal healthcare programs, reimbursement changes and fraud and abuse measures, all of which may impact existing government healthcare programs and result in the development of new programs. The Affordable Care Act imposed a 2.3 percent excise tax on sales of medical devices. The excise tax was suspended by statute twice before being repealed in December 2019. While this tax has been repealed, Congress could enact future legislation or further change the law related to the medical devise excise tax in a manner that could negatively impact our operating results. The financial impact such future taxes could have on our business is unclear.

Other significant measures contained in the Affordable Care Act include research on the comparative clinical effectiveness of different technologies and procedures, initiatives to revise Medicare payment methodologies, such as bundling of payments across the continuum of care by providers and physicians, and initiatives to promote quality indicators in payment methodologies. The Affordable Care Act also includes significant new fraud and abuse measures, including required disclosures of financial payments to and arrangements with physician customers, lower thresholds for violations and increasing potential penalties for such violations.

Since its enactment, there have been judicial and Congressional challenges to certain aspects of the Affordable Care Act. In January 2017, Congress voted to adopt a budget resolution for fiscal year 2017 (the "Budget Resolution"), which authorized the implementation of legislation that would repeal portions of the Affordable Care Act. The Budget Resolution is not a law; however, it was widely viewed as the first step toward the passage of legislation that would repeal certain aspects of the Affordable Care Act. Further, on January 20, 2017, President Trump signed an Executive Order directing federal agencies to waive, defer, grant exemptions from, or delay the implementation of any provision of the Affordable Care Act that would impose a fiscal or regulatory burden on states, individuals, healthcare providers, health insurers, or manufacturers of pharmaceuticals or medical devices. Additionally, the 2020 federal spending package permanently eliminated the mandated "Cadillac" tax on high-cost employer-sponsored health coverage, effective January 2020 and the health insurance tax, effective January 2021. The potential impact of these efforts to repeal or defer and delay enforcement of PPACA on our business remains unclear.

It remains unclear whether changes will be made to the Affordable Care Act, or whether it will be repealed or materially modified. For example, the Tax Cuts and Jobs Act of 2017 repealed the tax penalty associated with the "individual mandate" portion of Affordable Care Act. The repeal of the penalty associated with this provision, which requires most Americans to carry a minimal level of health insurance, became effective in January 2019. Following the repeal of the tax penalty, in December 2019 the U.S. Court of Appeals for the 5th Circuit in *Texas v. U.S.* upheld a lower court ruling that the individual mandate in PPACA is no longer constitutional, and the 5th Circuit court remanded the case back to the lower court for additional analysis on whether the remainder of the law must be struck down as unconstitutional. In March 2020, the U.S. Supreme Court agreed to review the constitutionality of the individual mandate and the Affordable Care Act as a whole, granting certiorari in *California v. Texas*. A decision in this case is expected in 2021. Congress also could consider subsequent legislation to replace elements of the Affordable Care Act that are repealed. Because of the continued uncertainty about the implementation of the Affordable Care Act, including the outcome of *California v. Texas* and the potential for further legal challenges or repeal of the law, we cannot quantify or predict with any certainty the likely impact of the Affordable Care Act or its repeal on our business, prospects, financial condition or results of operations.

There likely will continue to be legislative and regulatory proposals at the federal and state levels directed at containing or lowering the cost of healthcare. We cannot predict the initiatives that may be adopted in the future or their full impact. The continuing efforts of the government, insurance companies, managed care organizations and other payers of healthcare services to contain or reduce costs of healthcare may harm our ability to set a price that we believe is fair for our products, our ability to generate revenues and achieve or maintain profitability and the availability of capital.

If we fail to comply with healthcare regulations with respect to our planned wearable product, we could face substantial penalties and our business, operations and financial condition could be adversely affected.

Even though we do not and will not control referrals of healthcare services or bill directly to Medicare, Medicaid or other third party payers, certain federal and state healthcare laws and regulations pertaining to fraud and abuse and patients' rights will be applicable to our business. We could be subject to healthcare fraud and abuse and patient privacy regulation by both the federal government and the states in which we conduct our business. The regulations that will affect how we operate include:

- the federal healthcare program Anti-Kickback Statute, which prohibits, among other things, any person from knowingly and willfully offering, soliciting, receiving or providing remuneration, directly or indirectly, in exchange for or to induce either the referral of an individual for, or the purchase, order or recommendation of, any good or service for which payment may be made under federal healthcare programs, such as the Medicare and Medicaid programs;

- the federal False Claims Act, which prohibits, among other things, individuals or entities from knowingly presenting, or causing to be presented, false claims, or knowingly using false statements, to obtain payment from the federal government;

- federal criminal laws that prohibit executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters;

- the federal Physician Payment Sunshine Act, created under the Affordable Care Act, and its implementing regulations, which require manufacturers of drugs, medical devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program to report annually to the U.S. Department of Health and Human Services information related to payments or other transfers of value made to physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members;

- the Health Insurance Portability and Accountability Act of 1996, as amended by the Health Information Technology for Economic and Clinical Health Act, which governs the conduct of certain electronic healthcare transactions and protects the security and privacy of protected health information; and

- state law equivalents of each of the above federal laws, such as anti-kickback and false claims laws, which may apply to items or services reimbursed by any third-party payer, including commercial insurers.

The Affordable Care Act, among other things, amends the intent requirement of the Federal Anti-Kickback Statute and criminal healthcare fraud statutes. A person or entity no longer needs to have actual knowledge of this statute or specific intent to violate it. In addition, the Affordable Care Act provides that the government may assert that a claim including items or services resulting from a violation of the Federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act.

Efforts to ensure that our business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible that governmental and enforcement authorities will conclude that our business practices do not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal and similar foreign healthcare programs, contractual damages, reputational harm, diminished profits and future earnings and curtailment of our operations, any of which could harm our ability to operate our business and our results of operations.

Risks Related to this Offering, Owning Our Securities and Our Financial Results

As an investor, you may lose all of your investment.

Investing in our securities involves a high degree of risk. As an investor, you may never recoup all, or even part, of your investment and you may never realize any return on your investment. You must be prepared to lose all of your investment.

Our quarterly and annual results may fluctuate significantly, may not fully reflect the underlying performance of our business and may result in decreases in the price of our securities.

Our financial condition and operating results may fluctuate significantly from quarter-to-quarter and year-to-year due to a variety of factors, some of which are beyond our control. Our operating results will be affected by numerous factors such as:

- variations in the level of expenses related to our proposed products;
- status of our product development efforts;
- execution of collaborative, licensing or other arrangements, and the timing of payments received or made under those arrangements;
- intellectual property prosecution and any infringement lawsuits to which we may become a party;
- regulatory developments affecting our products or those of our competitors;
- our ability to obtain and maintain FCC clearance and/or FDA approval for our products, which have not yet been approved for marketing;
- our ability to commercialize our products;
- market acceptance of our products;
- the timing and success of new products and feature introductions by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or strategic partners;
- the amount and timing of costs and expenses related to the maintenance and expansion of our business and operations;
- general economic, industry and market conditions;
- the hiring, training and retention of key employees, including our ability to develop a sales team;
- litigation or other claims against us;
- our ability to obtain additional financing;
- business interruptions caused by events such as pandemics and natural disasters; and
- advances and trends in new technologies and industry standards.

Any or all of these factors could adversely affect our cash position requiring us to raise additional capital, which may be on unfavorable terms and result in substantial dilution.

The estimates of potential market size for our planned wearable product included in this prospectus may prove to be inaccurate, and even if the markets in which we compete are such estimated size, our business may not be able to establish a sufficient market share, if any at all.

Estimates of market size are subject to significant uncertainty and are based on assumptions that may not prove to be accurate. The forecasts in this prospectus relating to, among other things, the expected market for our planned wearable product are based on a number of third-party estimates and assumptions, including, without limitation, level of penetration of CGM in the diabetes treatment market, the level of payer and patient acceptance of CGM technology, the number of people who have diabetes and hypertension, the number of people with diabetes actively treating with insulin, the number of people at risk of developing diabetes or hypertension, current and projected prevalence of diabetes and hypertension among different populations, the demand for blood pressure monitoring devices, and the demand for noninvasive monitoring and measurement of vital health data in general. While we believe the assumptions and the data underlying our estimates are reasonable, these assumptions and estimates may not be correct, and the conditions supporting our assumptions or estimates may change over time. As a result, our estimates may prove to be inaccurate.

Even if demand matches our expectations as described in this prospectus, we may not be able to capitalize by obtaining a sufficient market share, if any at all. Our growth is subject to many factors, including whether there exist markets for our planned products, the rate of market acceptance of our planned products versus the products of our competitors and our success in implementing our business strategies, each of which is subject to many risks and uncertainties. Accordingly, the forecasts of market growth included in this prospectus should not be taken as indicative of our future growth.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon completion of this offering, we will become subject to the periodic reporting requirements of the Exchange Act, and will be required to maintain disclosure controls and procedures that are designed to reasonably assure that information required to be disclosed by us in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the SEC, and that such information is accumulated and communicated to management to allow timely decisions regarding required disclosure.

As a public company, we will also be required to maintain internal control over financial reporting and to report any material weaknesses in those internal controls. Such internal controls are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of a company's annual or interim financial statements will not be prevented or detected on a timely basis. We have identified three material weaknesses in our internal control over financial reporting at December 31, 2020. The material weaknesses relate to (i) lack of proper segregation of duties across significant accounting cycles, (ii) lack of effective information technology security policies and control over access to key systems, and (iii) lack of precision in the design of internal control over financial reporting. Although we are making efforts to remediate these issues, these efforts may not be sufficient to avoid similar material weaknesses in the future. Designing and implementing internal controls over financial reporting will be time consuming, costly and complicated as we are a small organization with limited management resources.

If the material weaknesses in our internal controls are not fully remediated or if additional material weaknesses are identified, those material weaknesses could cause us to fail to meet our future reporting obligations, reduce the market's confidence in our financial statements, harm our stock price and subject us to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. In addition, our common stock may not be able to remain listed on Nasdaq or any other securities exchange.

For as long as we are an "emerging growth company," as defined in the JOBS Act, or a non-accelerated filer, as defined in Rule 12b-2 under the Exchange Act, our auditors will not be required to attest as to our internal control over financial reporting. If we continue to identify material weaknesses in our internal control over financial reporting, are unable to comply with the requirements of Section 404 in a timely manner, are unable to assert that our internal control over financial reporting is effective or, once required, our independent registered public accounting firm is unable to attest that our internal control over financial reporting is effective, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could decrease. We could also become subject to stockholder or other third-party litigation as well as investigations by the securities exchange on which our securities are listed, the SEC or other regulatory authorities, which could require additional financial and management resources and could result in fines, trading suspensions or other remedies.

Any control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that misstatements due to error or fraud will not occur or that all control issues and instances of fraud will be detected.

The issuance of additional stock in connection with financings, acquisitions, our equity incentive plan, upon exercise of outstanding warrants or otherwise will dilute our existing stockholders.

If we issue additional equity securities, our existing stockholders' percentage ownership will be reduced and these stockholders may experience substantial dilution. We may also issue equity securities that provide for rights, preferences and privileges senior to those of our common stock. Subject to compliance with applicable rules and regulations, we may issue our shares of common stock in connection with a financing, acquisition, our equity incentive plan, upon exercise of outstanding warrants or otherwise. Any such issuance could result in substantial dilution to our existing stockholders and cause the trading price of our common stock to decline.

Prior to the completion of our initial public offering, there will have been no public trading market for our common stock. An active public trading market for our common stock may not develop and our securities may trade below the public offering price.

The offering under this prospectus is an initial public offering of our common stock. Prior to the closing of the offering, there will have been no public market for our common stock. An active public trading market for our common stock may not develop after the completion of the offering. If an active trading market for our common stock does not develop after this offering, the market price and liquidity of our common stock may be materially and adversely affected. The public offering price for our common stock has been determined by negotiation among us and the underwriter based upon several factors, and the price at which our common stock trades after this offering may decline below the public offering price. Investors in our common stock may experience a significant decrease in the value of their shares of common stock regardless of our operating performance or prospects.

Even if an active trading market for our common stock develops after the offering, the market price of our common stock may be significantly volatile.

Even if an active market for our common stock develops (and we cannot assure you that this will occur), the market price for our common stock may be volatile and subject to wide fluctuations in response to factors including the following:

- actual or anticipated fluctuations in our quarterly or annual operating results;
- changes in financial or operational estimates or projections;
- conditions in markets generally;
- changes in the economic performance or market valuations of companies similar to ours; and
- general economic or political conditions in the United States or elsewhere.

In particular, the market prices of technology companies like ours have been highly volatile due to factors, including, but not limited to:

- any delay or failure to commercialize products acceptable to the market;
- developments or disputes concerning our product's intellectual property rights;
- our or our competitors' technological innovations;
- changes in market valuations of similar companies;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures, capital commitments, new technologies, or patents; and
- failure to complete significant transactions or collaborate with vendors in manufacturing our product.

Any of these factors may result in large and sudden changes in the volume and trading price of our common stock. The stock market, generally, has from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of shares of our common stock.

Our failure to meet the continued listing requirements of Nasdaq could result in a de-listing of our common stock.

We have applied to list our common stock on the Nasdaq Capital Market. Subject to Nasdaq's approval, upon the closing of this offering, our common stock will be listed on Nasdaq Capital Market. If, after listing, we fail to satisfy the continued listing requirements of Nasdaq, such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist our common stock. Such a delisting would likely have a negative effect on the price of our common stock and would impair your ability to sell or purchase our common stock when you wish to do so. In the event of a delisting, we would take actions to restore our compliance with Nasdaq's listing requirements, but we can provide no assurance that any such action taken by us would allow our common stock to become listed again, stabilize the market price or improve the liquidity of our common stock, prevent our common stock from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements.

Our Certificate of Incorporation will designate specific courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Our Third Amended and Restated Certificate of Incorporation, which will become effective upon the closing of this offering (the "Certificate of Incorporation"), specifies that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for most legal actions involving claims brought against us by stockholders; provided that, the exclusive forum provision will not apply to suits brought to enforce any liability or duty created by the Securities Act, the Exchange Act, the rules and regulations thereunder or any other claim for which the federal courts have exclusive jurisdiction; and provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. Our Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and to have consented to the provisions of our Certificate of Incorporation described above.

We believe these provisions benefit us by providing increased consistency in the application of Delaware law by chancellors particularly experienced in resolving corporate disputes and in the application of the Securities Act by federal judges, as applicable, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. However, the provisions may have the effect of discouraging lawsuits against our directors, officers, employees and agents as it may limit any stockholder's ability to bring a claim in a judicial forum that such stockholder finds favorable for disputes with us or our directors, officers, employees or agents. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our Certificate of Incorporation to be inapplicable or unenforceable in such action. If a court were to find the choice of forum provisions contained in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition or results of operations.

We have not paid dividends in the past and have no immediate plans to pay dividends.

We plan to reinvest all of our earnings, to the extent we have earnings, in order to further develop our technology and potential products and to cover operating costs. We do not plan to pay any cash dividends with respect to our securities in the foreseeable future. We cannot assure you that we would, at any time, generate sufficient surplus cash that would be available for distribution to the holders of our common stock as a dividend. Therefore, you should not expect to receive cash dividends on the common stock we are offering.

We may allocate the net proceeds from this offering in ways that differ from the estimates discussed in the section titled "Use of Proceeds" and with which you may not agree.

The allocation of net proceeds of this offering set forth in the "Use of Proceeds" section below represents our estimates based upon our current plans and assumptions regarding industry and general economic conditions, and our future revenues and expenditures. The amounts and timing of our actual expenditures will depend on numerous factors, including market conditions, cash generated by our operations, business developments and related rate of growth. We may find it necessary or advisable to use portions of the proceeds from this offering for other purposes. Circumstances may give rise to a change in the use of proceeds. You may not have an opportunity to evaluate the economic, financial or other information on which we base our decisions on how to use our proceeds. As a result, you and other stockholders may not agree with our decisions. Our failure to apply the net proceeds from this offering effectively could result in financial losses that could have a material adverse impact on our business, cause the price of our common stock to decline and delay the development of our technology and potential products. See "Use of Proceeds" for additional information.

You will experience immediate dilution in the book value per share of the common stock you purchase.

Because the price per share of our common stock being offered is substantially higher than the book value per share of our common stock, you will experience substantial dilution in the net tangible book value of the common stock you purchase in this offering. Based on the offering price of $5.00 per share, if you purchase shares of common stock in this offering, you will experience immediate and substantial dilution of $3.79 per share as of December 31, 2020, representing the difference between our pro forma as adjusted net tangible book value per share, after giving effect to this offering. See the section of this prospectus captioned "Dilution" for a more detailed discussion of the dilution you will incur if you purchase common stock in this offering.

Concentration of ownership among our existing executive officers, directors and significant stockholders may prevent new investors from influencing significant corporate decisions.

All decisions with respect to the management of the Company will be made by our board of directors and our executive officers, who, before this offering, beneficially own approximately 7.6% of our common stock. After the issuance of our common stock in this offering, management will beneficially own at least approximately 5.8% of our common stock if all shares of common stock offered by this prospectus are sold. In addition, before this offering, (i) Leabman Holdings LLC beneficially owns approximately 16.7% of our common stock (including shares of which such stockholder has the right to acquire beneficial ownership within 60 days pursuant to conversion privileges), and after this offering will beneficially own approximately 12.6% of our common stock and (ii) the Fairbairn Trusts beneficially own approximately 16.0% of our common stock (including shares of which the Fairbairn Trusts have the right to acquire beneficial ownership within 60 days pursuant to conversion privileges), and after this offering will beneficially own approximately 12.1% of our common stock. As a result, these stockholders will be able to exercise a significant level of control over all matters requiring stockholder approval, including the election of directors, amendment of our Certificate of Incorporation and approval of significant corporate transactions. This control could have the effect of delaying or preventing a change of control of the Company or changes in management, in each case, which other stockholders might find favorable, and will make the approval of certain transactions difficult or impossible without the support of these significant stockholders.

We are an "emerging growth company" under the JOBS Act and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we expect to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not "emerging growth companies" including, but not limited to, (i) being required to present only two years of audited financial statements and related financial disclosure, (ii) not being required to comply with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act, (iii) extended transition periods for complying with new or revised accounting standards, (iv) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements and (v) exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved. We have taken, and in the future may take, advantage of these exemptions until such time that we are no longer an "emerging growth company. We cannot predict if investors will find our common stock less attractive because we rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and the price of our common stock may be more volatile.

We will remain an "emerging growth company" for up to five years, although we will lose that status sooner if our annual revenues exceed $1.07 billion, if we issue more than $1 billion in non-convertible debt in a three-year period, or if the market value of our common stock that is held by non-affiliates exceeds $700 million as of any June 30.

We will incur significant increased costs as a result of becoming a public company that reports to the SEC and our management will be required to devote substantial time to meet compliance obligations.

As a public company listed in the United States, we will incur significant legal, accounting and other expenses that we did not incur as a private company. We will be subject to reporting requirements of the Exchange Act and the Sarbanes-Oxley Act, as well as rules subsequently implemented by the SEC and Nasdaq that impose significant requirements on public companies, including requiring the establishment and maintenance of effective disclosure and financial controls and changes in corporate governance practices. In addition, the Dodd-Frank Wall Street Reform and Protection Act includes significant corporate governance and executive compensation-related provisions that will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and may also place undue strain on our personnel, systems and resources. Our management and other personnel will need to devote a substantial amount of time to these compliance initiatives. In addition, these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified people to serve on our board of directors, our board committees or as executive officers.

If securities or industry analysts do not publish research reports about our business, or if they issue an adverse opinion about our business, the price of our common stock and trading volume could decline.

The trading market for our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not currently have and may never obtain research coverage by securities and industry analysts. If no or few analysts commence research coverage of us, or one or more of the analysts who cover us issues an adverse opinion about our company, the price of our common stock would likely decline. If one or more of these analysts ceases research coverage of us or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause the price of our common stock or trading volume to decline.

Our charter documents and Delaware law may inhibit a takeover that stockholders consider favorable.

Upon the closing of this offering, provisions of our Certificate of Incorporation and bylaws and applicable provisions of Delaware law may delay or discourage transactions involving an actual or potential change in control or change in our management, including transactions in which stockholders might otherwise receive a premium for their shares, or transactions that our stockholders might otherwise deem to be in their best interests. The provisions in our Certificate of Incorporation and bylaws:

- authorize our board of directors to issue preferred stock without stockholder approval and to designate the rights, preferences and privileges of each class; if issued, such preferred stock would increase the number of outstanding shares of our common stock and could include terms that may deter an acquisition of us;
- classifies our board of directors into three classes, with members of each class serving staggered three-year terms;
- limit who may call stockholder meetings;
- do not provide for cumulative voting rights;
- provide that all vacancies may be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum;
- provide that stockholders must comply with advance notice procedures with respect to stockholder proposals and the nomination of candidates for director;
- provide that stockholders may only amend our Certificate of Incorporation and Bylaws upon a supermajority vote of stockholders; and
- provide that the Court of Chancery of the State of Delaware will be the exclusive forum for certain legal claims.

In addition, once we become a publicly traded corporation, section 203 of the Delaware General Corporation Law may limit our ability to engage in any business combination with a person who beneficially owns 15% or more of our outstanding voting stock unless certain conditions are satisfied. This restriction lasts for a period of three years following the share acquisition. These provisions may have the effect of entrenching our management team and may deprive you of the opportunity to sell your shares to potential acquirers at a premium over prevailing prices. This potential inability to obtain a control premium could reduce the price of our common stock. See “Anti-Takeover Effects of Certain Provisions of Delaware Law and Our Charter Documents” for additional information.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS AND OTHER INFORMATION CONTAINED IN THIS PROSPECTUS

This prospectus contains forward-looking statements. All statements other than statements of historical facts contained in this prospectus, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and expected market growth are forward-looking statements. Forward-looking statements give our current expectations or forecasts of future events. You can find many (but not all) of these statements by looking for words such as "approximates," "believes," "hopes," "expects," "anticipates," "estimates," "projects," "intends," "plans," "would," "should," "could," "may" or other similar expressions in this prospectus. These statements may be found principally under the sections entitled "Prospectus Summary," "Risk Factors," "Use of Proceeds," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our historical experience and our present expectations or projections. Actual results may differ materially from those discussed as a result of various factors, including, but not limited to:

- our limited operating history and our ability to achieve profitability;
- our ability to demonstrate the feasibility of and develop products and their underlying technologies;
- the impact of competitive or alternative products, technologies and pricing;
- the impact of the COVID-19 on our business and local and global economic conditions;
- our ability to continue as a going concern and our need for and ability to obtain additional capital in the future;
- our ability to attract and retain highly qualified personnel, including the retention of our founder;
- our dependence on consultants to assist in the development of our technologies;
- our ability to manage the growth of our Company and to realize the benefits from any acquisitions or strategic alliances we may enter in the future;
- our dependence on the successful commercialization of our proposed wearable product;
- our dependence on third parties to design, manufacture, market and distribute our proposed products;
- the adequacy of protections afforded to us by the patents that we own and the success we may have in, and the cost to us of, maintaining, enforcing and defending those patents;
- our ability to obtain, expand and maintain patent protection in the future, and to protect our non-patented intellectual property;
- the impact of any claims of intellectual property infringement, trade secret misappropriation, product liability, product recalls or other claims;
- our need to secure required FCC, FDA and other regulatory approvals from governmental authorities in United States;
- the impact of healthcare regulations and reform measures;
- the accuracy of our estimates of market size for our planned wearable product;
- our ability to implement and maintain effective control over financial reporting and disclosure controls and procedures;
- our success at managing the risks involved in the foregoing items; and
- other factors discussed in the "Risk Factors" section of this prospectus.

These statements reflect our views with respect to future events as of the date of this prospectus and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. These forward-looking statements represent our estimates and assumptions only as of the date of this prospectus and, except as required by law, we undertake no obligation to update or review publicly any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this prospectus. We anticipate that subsequent events and developments will cause our views to change. You should read this prospectus and the documents referenced in this prospectus and filed as exhibits to the registration statement, of which this prospectus is a part, completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

BUSINESS

Overview

Movano Inc., a Delaware corporation, is a health-focused technology company developing simple, smart and personalized devices designed to help individuals on their health journey maintain good health today and prevent and manage chronic diseases in the future.

The Company is developing a proprietary platform that uses Radio Frequency ("RF") technology, which we believe will enable the creation of low-cost and scalable sensors that are small enough to fit into a wearable and other small form factors. We expect that our platform will provide users with the ability to measure and continuously monitor vital health data and provide actionable feedback to jumpstart changes in behaviors.

The Company's platform is the foundation for its first product in development, which is a non-invasive and cuffless wearable that simultaneously measures glucose, blood pressure and heart rate. It is intended to combine the functionality of a continuous glucose monitor ("CGM") and a cuffless RF-based blood pressure monitor ("rBPM ®") into one wearable device. Once developed, we believe it will allow users to manage their health with confidence and in a manner that best fits their lifestyle, ultimately improving health outcomes.

While we expect that our flagship product will be an FDA-cleared or approved wearable that simultaneously measures glucose, blood pressure and heart rate, it is possible that we may decide to create two separate devices – a wearable non-invasive CGM and a wearable, cuffless rBPM. We may also develop a wearable product that targets the general wellness market by providing users actionable feedback designed to encourage a healthy lifestyle and maintain a general state of health and does not require FDA clearance or approval. Over time, our technology platform could also enable the measurement and continuous monitoring of a variety of other health data.

Problem

Wearable medical technology today, including CGMs and blood pressure monitors, have made it easier for people to manage diabetes, prediabetes and hypertension, but many of these devices are still widely considered invasive, inconvenient and expensive.

Diabetes

Diabetes is a chronic, life-threatening disease for which there is no known cure. The disease is caused by the body's inability to produce or effectively utilize the hormone insulin, which prevents the body from adequately regulating blood glucose levels. If a person's glucose levels are not managed properly, it can lead to serious health conditions and complications, including heart disease, limb amputations, loss of kidney function, blindness, seizures, coma and even death. According to the 2019 International Diabetes Federation Atlas, an estimated 463 million people worldwide had diabetes as of the date of the report. The number of people with diabetes ("PWDs") worldwide is estimated to grow to 700 million by 2045, driven primarily by growth in type 2 diabetes and due to various reasons, including a change in dietary trends, an aging population and increased prevalence of the disease in younger people.

In order to maintain blood glucose levels within the normal range, many PWDs seek to actively monitor their blood glucose levels. The traditional method of self-monitoring of blood glucose requires lancing the fingertips, commonly referred to as finger sticks, multiple times per day to obtain a blood drop to be applied to a test strip inside a blood glucose meter. This method of monitoring glucose levels is inconvenient and can be painful. Additionally, because each measurement represents a single blood glucose value at a single point in time, it provides limited information regarding trends in blood glucose levels.

In contrast, CGMs are generally less painful and typically involve the insertion of a microneedle sensor into the body to measure glucose levels in the interstitial fluid throughout the day and night, providing real-time data that shows trends in glucose measurements. As a result, CGMs improve glycemic control and quality of life, particularly in patients with type 1 diabetes treated with continuous subcutaneous insulin infusion or multiple daily insulin injection therapy, and support avoidance of hypoglycemia.

However, most of today's CGMs are still invasive, inconvenient and expensive. Many require inserting a needle into the body – and after 10-14 days, the sensor and needle must be replaced. This process can be uncomfortable, increases susceptibility to infections, and is expensive to manage. As a result, the vast majority of PWDs, as well as people with prediabetes, do not use a CGM. Moreover, the broader health-conscious population lacks the ability to easily monitor blood glucose levels, which can serve as a proxy for metabolic health and risk for chronic diseases. Notwithstanding the above, demand for CGMs, in general, continues to increase, with approximately three million worldwide users and industry sales estimated at more than $4.0 billion in 2019, according to published Wall Street analyst estimates.

Hypertension

Blood pressure is the pressure on the walls of arteries caused by the heart pumping blood through the circulatory system. When the force against blood vessel walls becomes too high, the heart works harder, which can cause damage to blood vessels, ultimately leading to a condition called hypertension, or high blood pressure.

According to the American Heart Association, high blood pressure affects nearly one third of the adult population worldwide. Called "the silent killer," many people are not aware that they have high blood pressure until it is too late because there are typically no symptoms. However, hypertension can lead to life-threatening conditions like heart attacks, strokes, kidney damage, amongst other problems. While there is no cure, using prescription medications, making dietary changes, increasing activity levels and maintaining awareness of blood pressure can significantly reduce the risks associated with hypertension.

Because hypertension usually has no symptoms, the only way to detect hypertension is through a blood pressure test. The test traditionally requires a healthcare provider to place an inflated cuff with a pressure gauge around the upper arm to squeeze the blood vessels. When the cuff is fully inflated, no blood flow occurs through the artery. As the cuff is deflated below the systolic pressure, the reducing pressure exerted on the artery allows blood to flow through it and sets up a detectable vibration in the arterial wall. When the cuff pressure falls below the patient's diastolic pressure, blood flows smoothly through the artery in the usual pulses, without any vibration being set up in the wall.

In recent years, blood pressure monitoring devices have become available for personal, in-home use, so people can gain an understanding of their blood pressure in between their regular doctor visits. While there are medical device and consumer electronic companies selling blood pressure monitors today, they still have limitations and tend to be cumbersome. Some provide blood pressure estimates, rather than exact readings. Often times, blood pressure cuffs require a very specific fit based on arm size and can be very sensitive to placement on the arm, movement and body position. If not used properly, errors in measuring blood pressure can occur. Most blood pressure cuffs are not continuous, which require the user to remember to take readings at the same general time of day to avoid inconsistencies when looking at trends over time. Notwithstanding the above, demand for blood pressure monitoring devices, in general, continues to increase, with industry sales estimated at approximately $1.3 billion in 2019, according to published industry estimates.

If we are able to develop a device that can successfully measure blood pressure continuously and non-invasively, the device could potentially help a person understand in real-time how food intake, sleep, activity levels, stress and more can directly impact their heart health. With the ability to get actionable feedback, people should be able to be more engaged in making better decisions for their health.

Solution

We are developing a wearable that measures glucose, blood pressure and heart rate without a needle or cuff, with the goal of accurately measuring blood glucose, blood pressure and heart rate directly from the blood vessel. We intend to measure blood glucose, systolic and diastolic blood pressure and heart rate from the blood vessel by utilizing mmWave RF to probe the arteries to identify various RF properties, which include, but are not limited to, RF connectivity, permittivity and reflectivity. As these properties change, we can measure the changes in glucose and blood pressure concentrations in the blood vessels and arteries. Using our signal processing algorithms, we intend to separate the pulse pressure and glucose waveforms to jointly solve for blood pressure, pulse and glucose. We intend to provide the user real-time data, including trending lines and time-in-range information, through our proprietary cloud-based network app, and enable data sharing with healthcare providers, caregivers and family to optimize care and reinforce positive behaviors and behavioral change. By providing real-time knowledge about glucose levels, blood pressure and heart rate, we believe our wearable will be a valuable preventative care tool that will help users make smarter health decisions, ultimately increasing a person's ability to self-manage diabetes and hypertension and reducing the frequency of doctor and hospital visits.

Image: A non-functional rendering of what Movano's wearable product currently in development may ultimately look like

Proprietary Technology

We are using patent-pending RF technology that leverages ultra-wideband multi-antenna RF with advanced signal processing and interference cancellation, machine learning and the cloud to develop our planned wearable product. Our RF technology is deeply rooted in military and telecom applications, and key members of our engineering team worked with the pioneers of this technology.

We intend to leverage the potential of this technology to design miniature, dynamic integrated circuits ("ICs") and proprietary algorithms that, if small and low-powered enough, may be embeddable into a variety of devices including a wearable, standalone phone case, ring or skin patch. These devices could communicate on a minute-by-minute basis, using Bluetooth Low Energy ("BLE") to a smartphone or a mobile device. Our intention is to design the system to be capable of connecting to Movano's cloud service, which is currently in development. Combined with our cloud analytics, we expect the technology will allow medical professionals, family members, caregivers and individuals to understand glucose, blood pressure and heart rate trends and make educated decisions about health, care and treatment based on that data. The goal of our development efforts is to combine machine learning with different statistical signal processing algorithms, which we believe will enable us to take advantage of multiple strains of continuous, real time Movano sensor data to generate advanced analytics like predictive alerts, risk profiles, and more, which are personalized for each wearer.

We believe that the main advantage of our technology under development, as compared to certain existing technologies like cameras and infrared ("IR") sensors, will be the ability to achieve fine RF mapping in a cost-effective and small form factor. As it relates to CGM and blood pressure monitor applications, we believe that our competitive edge will be that our technology can be deployed on a non-invasive and cuffless basis, packaged in a wearable, so wearers feel like people, not patients, and priced more affordably for users and payers compared to existing devices.

Our Planned Wearable Product

Our first planned product is currently in the development stage. For initial testing, we are developing an iPhone-sized prototype that uses four proprietary ICs. In its current state, this prototype allows us to collect data, which we are using to generate glucose, blood pressure and heart rate estimates. The accuracy of the technology will be refined as our algorithms are improved and as we test larger cross sections of people in our external studies. We are currently in the process of shrinking the iPhone-sized prototype to fit into a wearable similar to the one that is depicted in the image above.

We have conducted preliminary tests thus far to diversify the data we are collecting, enabling us to better optimize our system. Our preliminary blood pressure testing took place in 2020 over a three-month period during which we collected nearly a hundred hours of data on six internal subjects. Data collections with our prototype were compared to a traditional blood pressure monitor before each test. Our preliminary glucose testing took place in 2020 over a 4 to 5-month time period during which we collected several hundreds of hours of data on three internal test subjects. Data collections with our prototype were compared to fingerstick data every 5 minutes over the course of an hour.

In November 2020, we obtained approval from an Institutional Review Board ("IRB") to conduct our first external blood pressure test, which took place in December 2020. The test was conducted on 40 external test subjects of different genders, ethnicities, age groups and weights. We are using this data to refine our product design and to develop the algorithms our product in development will use to estimate blood pressure levels. In 2021, we also plan to do additional blood pressure testing using our smaller form factor.

As a precursor and dry run to the trials we will conduct for FDA 510(k) clearance process, we expect to conduct a pivotal prep blood pressure study in the first half of 2022. If that study is successful in demonstrating that our device is able to measure blood pressure levels with sufficient accuracy, we plan to conduct pivotal clinical trials in the second half of 2022.

In December 2020, we obtained approval from an IRB and conducted our first external glucose tests. In this study, we tested 10 external subjects, all of whom were persons with type 1 diabetes, as the IRB agreed that our prototype met the criteria for a Non-Significant Risk Device and thus an investigational device exemption submission to FDA was not required. The IRB-approved clinical study compared the glucose measurements from Movano's device directly to data from finger sticks. We are using this data to refine our product design and to develop the algorithms our product in development will use to estimate glucose levels.

In 2021, we plan to transition to begin using our small form factor wearable for further external tests and trials. We will then seek IRB-approval for an additional glucose clinical study, where we expect to begin a 10-20 person trial with an independent lab using a YSI glucose analyzer, which will be used to compare data from Movano's system with that of the recognized standards for the diagnostic measurement of blood glucose. As a precursor and dry run to the trials we will conduct for FDA 510(k) clearance process, we expect to test 15-20 subjects during our pivotal prep study. We hope to begin this pivotal prep study in 2022. If that study is successful in demonstrating that our device is able to measure blood glucose levels with sufficient accuracy, we plan to conduct pivotal clinical trials with approximately 100 subjects. Ideally, the data from the larger study will be submitted to FDA in support of 510(k) clearance application.

Our current primary development goal is to integrate our four proprietary ICs into a single module and shrink the size of our technology so that it is embeddable into a wearable. We also expect our product design and algorithms to evolve over the next year as we optimize for accuracy and movement. We have not developed or launched a first commercial product and do not have a history of revenue or earnings or of product development or manufacturing. As described further below under "Regulation" and "Strategy", before we are able to commercialize our planned wearable product, we will need to obtain FDA clearance or approval for the product and determine our commercialization strategy.

Image: Our 2" x 2" CGM prototype board using Movano's 4 custom ICs

Additional Technology Use Cases

While Movano's wearable, which is intended to combine the functionality of a CGM and rBPM, is the Company's top priority and currently the only product in development, we believe our proprietary technology platform may also be used to develop other intelligent, reliable and user-friendly solutions for use cases beyond measuring and managing blood glucose and blood pressure. For example, we may also develop a wearable product that is targeted at the general wellness market.

We believe our proprietary RF-powered platform will enable us to build low-cost, small form-factor, non-invasive, and scalable 3D sensors that are designed to image the environment around them. This could allow us to build applications that can track movements, distinguish between inanimate and animate objects, identify gestures to allow fine touchless control, among other things, over time.

Because the technology has these capabilities, there may come a time in the future where we explore developing technologies in various verticals, including, but not limited to the following:

Health: Beyond glucose and blood pressure, our technology has shown promise in its ability to measure the body's pulse pressure wave, and hence derive meaningful statistics that can be indicators of cardiovascular disease, ventricular failure and more.

In Home Monitoring: Our 3D RF sensors may be able to track movement, distinguish people from other moving objects, understand where people are in space, and then take appropriate contextual action. This could enable the creation of an intelligent home system without the invasiveness of cameras. It would be able to do things like identify the behaviors and habits that make-up someone's daily routine, and when those routines have been broken and/or a potential health or security risk is detected, send alerts to in-home users, their families, caregivers and first responders. This is especially useful for the longevity economy, helping people age more independently at home.

Image: Movano's 8" x 11" in home monitoring transmitter prototype

Intellectual Property

We are committed to developing and protecting our intellectual property and, where appropriate, filing patent applications to protect our technology. We rely on a combination of patent, copyright, trademark and trade secret laws and other agreements with employees and third parties to establish and protect our proprietary intellectual property rights. We require our officers, employees and consultants to enter into standard agreements containing provisions requiring confidentiality of proprietary information and assignment to us of all inventions made during the course of their employment or consulting relationship. We also enter into nondisclosure agreements with our commercial counterparties and limit access to, and distribution of, our proprietary information.

At December 31, 2020, we had two issued U.S. Utility patents (providing method, system, and device protection) having a total of 60 claims (U.S. Pat. Nos. 10,856,766, expiring on November 13, 2039, and 10,874,314, expiring on December 18, 2039), 45 pending U.S. patent applications having a total of 1,053 claims, with an earliest priority date of August 16, 2018, and six pending Patent Cooperation Treaty (PCT) International patent applications having a total of 443 pending claims. The PCT International patent applications preserve the opportunity to pursue patent rights in a majority of the world's countries, including most of the major industrialized countries. We plan to file additional provisional and utility patent applications to protect some of the intellectual property on which our sensor system is expected to be based, including a 3D sensor IC architecture using RF beamforming or machine-learning. Our pending patent claims and future patentable focus areas are directed at the following areas related to our technology:

- Machine learning for glucose and blood pressure measurement
- Advanced IC architecture for radar
- Skin antenna designs
- A variety of calibration and alignment techniques
- Signal processing and filtering for glucose and blood pressure measurement

While we have not registered any of the copyrights in our software code, our software code, once written, would be protected by applicable U.S. copyright law.

Regulation

FDA Regulation

Our planned wearable product in development must be approved or cleared by FDA before it is marketed in the U.S. Before and after approval or clearance in the U.S., our planned wearable product will be subject to extensive regulation by FDA under the Food, Drug and Cosmetic Act (the "FD&C Act") and/or the Public Health Service Act, as well as by other regulatory bodies. FDA regulations govern, among other things, the development, testing, manufacturing, labeling, safety, storage, record-keeping, market clearance or approval, advertising and promotion, import and export, marketing and sales, and distribution of medical devices and pharmaceutical products. There may be certain commercial applications for our technology that require less regulatory scrutiny than described below.

FDA Approval or Clearance of Medical Devices

In the U.S., medical devices are subject to varying degrees of regulatory control and are classified in one of three classes depending on the extent of controls FDA determines are necessary to reasonably ensure their safety and efficacy:

- Class I: general controls, such as labeling, establishment registration, device listing, and, for some devices, adherence to quality system regulations;
- Class II: the general controls plus certain special controls, FDA clearance via a premarket notification, or 510(k) submission, specific controls such as performance standards, patient registries and post-market surveillance and additional controls such as labeling and adherence to quality system regulations; and
- Class III: general and special controls and approval of a premarket approval ("PMA") application.

We expect our planned wearable product in development will be classified as a Class II medical device and thus require FDA clearance prior to marketing by means of a 510(k) clearance rather than a PMA application.

To request marketing authorization by means of a 510(k) clearance, we must submit a notification demonstrating that the proposed device is substantially equivalent to another legally marketed medical device, a "predicate device," has the same intended use, and is as safe and effective as the predicate device and does not raise different questions of safety and effectiveness than a legally marketed device. 510(k) submissions generally include, among other things, a description of the device and its manufacturing, device labeling, medical devices to which the device is substantially equivalent, safety and biocompatibility information and the results of performance testing. In this case, the 510(k) submission will likely also include data from human clinical studies demonstrating performance and other parameters. Marketing may commence only when FDA issues a clearance letter finding substantial equivalence. The typical duration to receive a 510(k) approval is approximately six to twelve months from the date of the initial 510(k) submission, although there is no guarantee that the timing will not be longer.

In some instances, the 510(k) pathway for product marketing may be used with only proof of substantial equivalence in technology for a given indication with a predicate device. In other instances, FDA may require additional clinical work to prove efficacy in addition to technological equivalence and basic safety. Whether clinical data is provided or not, FDA may decide to reject the substantial equivalence argument we present. If that happens, the device is automatically designated as a Class III device. The device sponsor must then fulfill more rigorous PMA requirements, or can request a risk-based classification determination for the device in accordance with the "de novo" process, which may determine that the new device is of low to moderate risk and that it can be appropriately be regulated as a Class I or II device. If a de novo request is granted, the device may be legally marketed and a new classification is established. If the device is classified as Class II, the device may serve as a predicate for future 510(k) submissions. If the device is not reclassified through de novo review, then it must go through the standard PMA process for Class III devices.

After a device receives 510(k) clearance, any product modification that could significantly affect the safety or effectiveness of the product, or that would constitute a significant change in intended use, requires a new 510(k) clearance or, if the device would no longer be substantially equivalent, a PMA. If FDA determines that the product does not qualify for 510(k) clearance, then a company must submit, and FDA must approve, a PMA before marketing can begin.

A PMA application must provide a demonstration of safety and effectiveness, which generally requires extensive pre-clinical and clinical trial data. Information about the device and its components, device design, manufacturing and labeling, among other information, must also be included in the PMA. As part of the PMA review, FDA will inspect the manufacturer's facilities for compliance with quality system regulation requirements, which govern testing, control, documentation and other aspects of quality assurance with respect to manufacturing, testing, and storage of medical devices. If FDA determines the application or manufacturing facilities are not acceptable, FDA may outline the deficiencies in the submission and often will request additional testing or information. Notwithstanding the submission of any requested additional information, FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. During the review period, an FDA advisory committee, typically a panel of clinicians and statisticians, is likely to be convened to review the application and recommend to FDA whether, or upon what conditions, the device should be approved. FDA is not bound by the advisory panel decision. While FDA often follows the panel's recommendation, there have been instances in which FDA has not. FDA must find the information to be satisfactory in order to approve the PMA. The PMA approval can include post-approval conditions, including, among other things, restrictions on labeling, promotion, sale and distribution, or requirements to do additional clinical studies after approval. Even after approval of a PMA, a new PMA or PMA supplement is required to authorize certain modifications to the device, its labeling or its manufacturing process. Supplements to a PMA often require the submission of the same type of information required for an original PMA, except that the supplement is generally limited to that information needed to support the proposed change from the product covered by the original PMA. The typical duration to receive PMA approval is approximately two years from the date of submission of the initial PMA application, although there is no guarantee that the timing will not be longer.

Clinical Trials of Medical Devices

One or more clinical trials are generally required to support a PMA application and are sometimes necessary to support a 510(k) submission. Clinical studies of unapproved or uncleared medical devices or devices being studied for uses for which they are not approved or cleared (investigational devices) must be conducted in compliance with FDA requirements. If an investigational device could pose a significant risk to patients, the sponsor company must submit an investigational device exemption application to FDA prior to initiation of the clinical study. If an institutional review board determines that device study does present a significant risk, an investigational device exemption submission to FDA is not required. An investigational device exemption application must be supported by appropriate data, such as animal and laboratory test results, showing that it is safe to test the device on humans and that the testing protocol is scientifically sound. Except for studies involving certain banned devices, the investigational device exemption will automatically become effective 30 days after receipt by FDA unless FDA notifies the company that the investigation may not begin. Clinical studies of investigational devices may not begin until an institutional review board has approved the study.

During the study, the sponsor must comply with FDA's investigational device exemption requirements. These requirements include investigator selection, trial monitoring, adverse event reporting, and record keeping. The investigators must obtain patient informed consent, rigorously follow the investigational plan and study protocol, control the disposition of investigational devices, and comply with reporting and record keeping requirements. The sponsor, FDA, or the institutional review board at each institution at which a clinical trial is being conducted may suspend a clinical trial at any time for various reasons, including a belief that the subjects are being exposed to an unacceptable risk. During the approval or clearance process, FDA typically inspects the records relating to the conduct of one or more investigational sites participating in the study supporting the application.

Post-Approval Regulation of Medical Devices

After a device is cleared or approved for marketing, numerous and pervasive regulatory requirements continue to apply. These include:

- FDA quality systems regulation, which governs, among other things, how manufacturers design, test, manufacture, exercise quality control over, and document manufacturing of their products;

- labeling and claims regulations, which prohibit the promotion of products for unapproved or "off-label" uses and impose other restrictions on labeling; and

- the Medical Device Reporting regulation, which requires reporting to FDA of certain adverse experiences associated with use of the product.

Good Manufacturing Practices Requirements

Manufacturers of medical devices are required to comply with the good manufacturing practices set forth in the quality system regulation promulgated under Section 520 of the FD&C Act. Current good manufacturing practices regulations require, among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation. The manufacturing facility for an approved product must be registered with FDA and meet current good manufacturing practices requirements to the satisfaction of FDA pursuant to a pre-PMA approval inspection before the facility can be used. Manufacturers, including third party contract manufacturers, are also subject to periodic inspections by FDA and other authorities to assess compliance with applicable regulations. Failure to comply with statutory and regulatory requirements subjects a manufacturer to possible legal or regulatory action, including the seizure or recall of products, injunctions, consent decrees placing significant restrictions on or suspending manufacturing operations, and civil and criminal penalties. Adverse experiences with the product must be reported to FDA and could result in the imposition of marketing restrictions through labeling changes or in product withdrawal. Product approvals may be withdrawn if compliance with regulatory requirements is not maintained or if problems concerning safety or efficacy of the product occur following the approval.

Federal Communication Commission ("FCC") Regulations

Our RF-based technology involves the transmission of RF energy, and as such, will be subject to regulation by the FCC, including the FCC's equipment authorization regulations and its regulations governing human exposure to RF energy. In particular, we expect the planned wearable product to be regulated under Part 18 of the FCC's rules governing industrial, scientific, and medical (ISM) equipment, and to be classified as consumer ISM equipment under that rule part. Based on the expected frequency and power of operation, we expect that the product will comply with the Part 18 technical specifications for these type of devices, which we will be required to verify under FCC equipment authorization procedures. We also expect, based on the device's frequency and power of operation, that the product will comply with the FCC's requirements governing human exposure to RF energy.

Strategy

We are a recently-formed development-stage start-up company without a history of operations or revenue, and therefore intend to explore alternative business strategies, including:

- selling directly to consumers and enterprise customers through retail channels and through our website or other distribution channels;

- partnering with original equipment manufacturers ("OEMs"), and value-added resellers ("VARs"); and

- partnering with industry partners to incorporate our technology into new and existing devices.

Selling our products directly to consumers would not depend on locating a suitable OEM or VAR, but would require us to complete the development and manufacture of our planned wearable product and commercialize the product on our own without the assistance a suitable OEM or VAR could provide. We may use distributors to help distribute our product to consumers, and the costs of working with such distributors, including without limitation the compensation to such distributors and the administrative and other costs of working with such distributors, would reduce our profit margin.

We expect that partnering with OEMs and VARs may accelerate product acceptance into our target market and allow us to take advantage of the sales and marketing and distribution infrastructure of those OEMs or VARs. In particular, we believe that a maker of ICs or a manufacturer of wearables would be an ideal strategic partner for the Company.

One of the challenges of IC development is ensuring the ability to source quality ICs with enough volume and competitive pricing. In order to strengthen our supply chain and prepare for the future, we formed a strategic partnership with a leading specialty foundry, for manufacturing and supplying our ICs. Pursuant to this strategic partnership, our partner agreed to accept $500,000 of convertible notes from us in partial payment for IC services.

Competition

The technology industry, generally, and the glucose monitoring market, in particular, are intensely competitive, subject to rapid change and significantly affected by new product introductions and other market activities by industry participants. To compete successfully, we will need to demonstrate the advantages of our products and technologies over well-established alternative solutions, products, and technologies, as well as newer ones, and convince consumers and enterprises of the advantages of our products and technologies.

With respect to our planned wearable product, we will face direct and indirect competition from a number of competitors who have developed or are developing products for continuous monitoring of glucose levels. These competitors include DexCom, Inc., Abbott Laboratories, Medtronic plc, Roche Diagnostics, LifeScan, Inc., Ascensia Diabetes Care Holdings AG, Senseonics Holdings, Inc., Integrity Applications, Inc., Nemaura Medical, Biolinq Inc., and Profusa, Inc. Our planned wearable product will also compete with traditional glucometers which remain an inexpensive alternative. Many of the companies we will compete with enjoy significantly greater name recognition, and have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and sales and marketing of approved products than we have.

We will also face direct and indirect competition from a number of competitors who have developed or are developing products that monitor blood pressure. These competitors include OMRON Corporation, Welch Allyn, A&D Medical, American Diagnostic Corporation, GE Healthcare, Masimo Corporation, Philips, SunTech Medical Inc., Aktiia, Biobeat and Blumio. Many of the companies we will compete with enjoy significantly greater name recognition and have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals, and sales and marketing of approved products than we have.

With respect to a potential wearable product that is targeted at the general wellness market, we would face direct and indirect competition from a number of competitors who have developed and commercialized similar products. These competitors include Apple, Samsung, Garmin, Fitbit, WHOOP and Oura Health. Many of such potential competitors enjoy significantly greater name recognition and have significantly greater financial resources and expertise in research and development, manufacturing, and sales and marketing than we have.

Mergers and acquisitions in the medical device, biotechnology and diagnostic industries may result in even more resources being concentrated among a smaller number of our competitors. Other small or early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. There are also a number of academic and other institutions involved in various phases of technology development regarding blood glucose monitoring devices.

We believe the ability to deploy our technology on a non-invasive basis, packaged in a wearable that is painless, cuffless, simple, smart and competitively priced, will provide us with a competitive advantage. We cannot however assure you that we will be able to compete successfully.

Employees and Human Capital Resources

As of December 31, 2020, we had 15 employees, all of whom are employed on a full-time basis. None of our employees are covered by a collective bargaining agreement, and we believe our relationship with our employees is good.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and new employees, advisors and consultants. The principal purposes of our equity incentive plans are to attract, retain and reward personnel through the granting of stock-based compensation awards, in order to increase stockholder value and the success of our company by motivating such individuals to perform to the best of their abilities and achieve our objectives.

Properties

Our principal office is located at 6200 Stoneridge Mall Rd., Suite 300, Pleasanton, California.

We also rent office space in Dublin, California under a lease agreement. The term of the lease commenced in October 2019 and will expire in September 2021. The rent is approximately $4,600 per month.

Legal Proceedings

We are not a party to any pending legal proceedings.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with the section entitled "Summary Financial Data" and our financial statements and related notes included elsewhere in this prospectus. Some of the information contained in this discussion and analysis or set forth elsewhere in this prospectus, including information with respect to our plans and strategy for our business and related financing, includes forward-looking statements that involve risks and uncertainties. See "Cautionary Note Regarding Forward-Looking Statements." Our actual results may differ materially from those described below. You should read the "Risk Factors" section of this prospectus for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis.

Overview

We are a health-focused technology company developing simple, smart and personalized devices designed to help individuals on their health journey maintain good health today and prevent and manage chronic diseases in the future.

We are developing a proprietary platform that uses Radio Frequency ("RF") technology, which we believe will enable the creation of low-cost and scalable sensors that are small enough to fit into a wearable and other small form factors. We expect that our platform will provide users with the ability to measure and continuously monitor vital health data and provide actionable feedback to jumpstart changes in behaviors.

Our platform is the foundation for our first product in development, which is a non-invasive and cuffless wearable that simultaneously measures glucose, blood pressure and heart rate. It is intended to combine the functionality of a continuous glucose monitor ("CGM") and a cuffless RF-based blood pressure monitor ("rBPM ®") into one wearable device. Once developed, we believe it will allow users to manage their health with confidence and in a manner that best fits their lifestyle, ultimately improving health outcomes.

Plan of Operations

Our technology is in the development phase. We intend to maximize the value and probability of the commercialization of our technology by focusing on research, testing, optimizing, conducting pilot studies and partnering for more extensive, later stages of clinical development, as well as seeking extensive patent protection and intellectual property development.

Since we are a development stage company, the majority of our business activities to date and our planned future activities will be devoted to further research and development. We plan to use the majority of the net proceeds from this offering to fund these research and development efforts (see "Use of Proceeds").

A fundamental part of our corporate development strategy is to establish one or more strategic partnerships that would allow us to more fully exploit the potential of our technology, although other than the partnership with a leading specialty foundry discussed above under "Business - Strategy" no definitive agreement in that regard has been entered into as of the date of this prospectus.

Our research and development expenses primarily include wages, fees and equipment for the development of our technology and our proposed products. Additionally, we incur certain costs associated with the protection of our products and inventions through a combination of patents, licenses, applications and disclosures.

Going Concern

Our financial statements have been presented on the basis that we are a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. We have not generated any revenues from operations since inception and do not expect to do so in the foreseeable future. We have experienced operating losses and negative operating cash flows since inception and expect to continue to do so for at least the next few years. We have financed our working capital requirements during this period through the sale of its equity securities including convertible promissory notes. At December 31, 2020, we had cash and cash equivalents totaling $5.7 million available to fund the Company's ongoing business activities.

Because we are currently engaged in research at a relatively early stage, it will take a significant amount of time and resources to develop any product or intellectual property capable of generating sustainable revenues. Accordingly, our business is unlikely to generate any sustainable operating revenues in the next several years and may never do so. In addition, to the extent that we are able to generate operating revenues, there can be no assurances that we will be able to achieve positive earnings and operating cash flows.

Operating Expenses

We generally recognize operating expenses as they are incurred in two general categories, general and administrative expenses and research and development expenses. Our operating expenses also include non-cash components related to depreciation of property and equipment and stock-based compensation, which are allocated, as appropriate, to general and administrative expenses and research and development expenses.

General and administrative expenses consist of salaries and related expenses for executive, legal, finance, human resources, information technology and administrative personnel, as well as professional fees, insurance costs, and other general corporate expenses. Management expects general and administrative expenses to increase in future periods as the Company adds personnel and incurs additional expenses to support the expansion of its research and development activities and its operation as a public company, including higher legal, accounting, insurance, compliance, compensation and other administrative expenses.

Research and development expenses consist primarily of compensation expenses, fees paid to consultants, outside service providers, facility expenses, and development and clinical trial expenses. We charge research and development expenses to operations as they are incurred. Management expects research and development expenses to increase in the future as the Company increases its efforts to develop technology for potential future products based on its technology and research.

Results of Operations

Years Ended December 31, 2020 and 2019

Our statements of operations for the years ended December 31, 2020 and 2019 as discussed herein are presented below.

	Year Ended December 31,		
	2020	2019	Change
	(in thousands, except share and per share data)		
OPERATING EXPENSES:			
Research and development	$ 8,373	$ 6,515	1,858
General and administrative	2,734	1,997	737
Total operating expenses	11,107	8,512	2,595
Loss from operations	(11,107)	(8,512)	(2,595)
Other income (expense), net:			
Interest expense	(1,004)	—	(1,004)
Change in fair value of warrant liability	(1,511)	13	(1,511)
Change in fair value of derivative liability	564	—	564
Interest and other income, net	27	59	(45)
Other income (expense), net	(1,924)	72	(1,996)
Net loss and comprehensive loss	(13,031)	(8,440)	(4,591)
Accretion and dividends on redeemable convertible preferred stock	(8,914)	(6,041)	(2,874)
Net loss attributable to common stockholders	$ (21,945)	$ (14,481)	$ (7,464)
Net loss per share attributable to common stockholders, basic and diluted	$ (6.85)	$ (9.18)	
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	3,201,430	1,577,714	
Pro forma net loss per share attributable to common stockholders, basic and diluted	[●]	[●]	
Weighted average shares used in computing pro forma net loss per share attributable to common stockholders, basic and diluted	[●]	[●]	

Research and Development

Research and development expenses totaled $8.4 million and $6.5 million for the years ended December 31, 2020 and 2019, respectively. This increase of $1.9 million was due primarily to the growth of the Company and its activities. Research and development expenses for year ended December 31, 2020 included expenses related to employee compensation of $2.2 million, tools and equipment expenses of $0.8 million, rent of $0.1 million, other professional fees of $5.2 million, and other expenses of $0.1 million. Research and development expenses for the year ended December 31, 2019 included expenses related to employee compensation of $1.7 million, research and laboratory expenses of $0.9 million, rent of $0.1 million, other professional fees of $3.6 million, and other expenses of $0.2 million.

General and Administrative

General and administrative expenses totaled $2.7 million and $2.0 million for the years ended December 31, 2020 and 2019, respectively. This increase of $0.7 million was due primarily to the growth of the Company and its activities. General and administrative expenses for the year ended December 31, 2020 included expenses related to employee and board of director compensation of $1.6 million, professional and consulting fees of $0.9 million, and other expenses of $0.2 million. General and administrative expenses for the year ended December 31, 2019 included expenses related to employee and board of director compensation of $0.9 million, professional and consulting fees of $0.9 million, and other expenses of $0.2 million.

Loss from Operations

Loss from operations was $11.1 million for the year ended December 31, 2020, as compared to $8.5 million for the year ended December 31, 2019.

Other Income (Expense), Net

Other income (expense), net for the year ended December 31, 2020 was a net other expense of $1.9 million as compared to a net other income of $0.1 million for the year ended December 31, 2019. Other income (expense), net for the year ended December 31, 2020 included interest expense of $1.0 million related to the accrual of interest and amortization of debt discounts on the convertible promissory notes, $1.5 million related to the change in the fair value of warrant liability, and $0.6 million related to the change in fair value of the derivative liability. Other income for the year ended December 31, 2019 was comprised primarily of interest and other income, net.

Net Loss

As a result of the foregoing, net loss was $13.0 million for the year ended December 31, 2020, as compared to $8.4 million for the year ended December 31, 2019.

Liquidity and Capital Resources

The Company's financial statements are presented on a basis that it is a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. We have not generated any revenues from operations since inception, and do not expect to do so in the foreseeable future. We have experienced operating losses and negative operating cash flows since inception and expect to continue to do so. We have financed our working capital requirements during this period through the sale of equity securities and convertible notes.

At December 31, 2020 and 2019, we had cash and cash equivalents of $5.7 million and $4.3 million, respectively, available to fund our ongoing business activities. Additional information concerning our financial condition and results of operations is provided in the financial statements presented in this prospectus.

This offering is expected to generate net proceeds of approximately $32.1 million (or approximately $37.1 million if the underwriter exercises in full its over-allotment option). We intend to use such proceeds as described in the section of this prospectus titled "Use of Proceeds".

We believe that the net proceeds from this offering combined with our existing cash resources, will be sufficient to fund our projected operating requirements for at least 12 months subsequent to the closing of this offering. However, the expected net proceeds from this offering are not expected to be sufficient enable us to complete the development and commercialization of our proposed wearable product. We expect to continue to incur significant expenses and increasing operating losses for at least the next several years. We anticipate that our expenses will increase substantially as we:

- advance the engineering design and development of our proposed wearable and other potential products;
- prepare applications required for marketing approval of our proposed wearable product in the United States;
- develop our plans for manufacturing, distributing and marketing our proposed wearable and other potential products;
- add operational, financial and management information systems and personnel, including personnel to support our product development, planned commercialization efforts and our operation as a public company.

Until we can generate a sufficient amount of revenue from our planned products, if ever, we expect to finance future cash needs through public or private equity offerings, debt financings or corporate collaborations and licensing arrangements. Additional funds may not be available when we need them on terms that are acceptable to us, or at all. If adequate funds are not available, we may be required to delay, reduce the scope of or eliminate one or more of our research or development programs or our commercialization efforts. To the extent that we raise additional funds by issuing equity securities, our stockholders may experience additional dilution, and debt financing, if available, may involve restrictive covenants. To the extent that we raise additional funds through collaborations and licensing arrangements, it may be necessary to relinquish some rights to our technologies or applications or grant licenses on terms that may not be favorable to us. We may seek to access the public or private capital markets whenever conditions are favorable, even if we do not have an immediate need for additional capital at that time.

Operating Activities

During the year ended December 31, 2020, the Company used cash of $10.7 million in operating activities, as compared to $8.2 million used in operating activities during the year ended December 31, 2019.

The $10.7 million used in operating activities during the year ended December 31, 2020 was primarily attributable to our net loss of $13.0 million during the period and changes in our operating assets and liabilities totaling $0.7 million. These items were offset by non-cash items, including stock-based compensation of $0.3 million for a stock grant and stock-based compensation of $0.4 million, accretion of the debt discount on our convertible promissory notes of $0.7 million, accrued interest on our convertible promissory notes of $0.3 million, non-employee services of $0.4 million under convertible promissory notes, change in fair value of warrant liability of $1.5 million, and offset by a $0.6 million change in the fair value of our derivative liability.

During the year ended December 31, 2019, the Company used cash of $8.2 million in operating activities, which was primarily attributable to our net loss of $8.4 million. The difference between cash used in operating activities and net loss consisted primarily of depreciation, stock-based compensation, and changes in operating assets and liabilities.

Investing Activities

During the year ended December 31, 2020 the Company did not have any investing activities.

During the year ended December 31, 2019, the Company used cash of $13,000 in investing activities, consisting of $13,000 for the purchase of office and laboratory equipment.

Financing Activities

During the year ended December 31, 2020, the Company was provided cash of $12.1 million from financing activities, comprised of $11.8 million from the issuance of convertible promissory notes which was partially offset by $0.7 million of issuance costs, $0.7 million in proceeds from the Paycheck Protection Program loan which was partially offset by the repayment of $0.4 million, and $0.7 million from the issuance of common stock.

During the year ended December 31, 2019, the Company was provided cash of $9.4 million from financing activities, consisting primarily of $9.4 million from the issuance of the Series B redeemable convertible preferred stock.

Contractual Obligations and Commitments

Our contractual obligations and commitments pertain to our facilities lease agreements. The future minimum lease agreements are $41,400 for the calendar year 2021.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP"). The preparation of these financial statements requires us to make estimates and assumptions for the reported amounts of assets, liabilities, revenues, expenses and related disclosures. Our estimates are based on our historical experience and on various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions and any such differences may be material.

While our significant accounting policies are more fully described in the Note 3 to our audited financial statements appearing elsewhere in this prospectus, we believe the following discussion addresses our most critical accounting policies, which are those that are most important to our financial condition and results of operations and require our most difficult, subjective and complex judgments.

Redeemable convertible preferred stock

The Company records all shares of redeemable convertible preferred stock at their respective issuance price less issuance costs on the dates of issuance. Under certain circumstances the Company will be required to redeem the Series A and Series B redeemable convertible preferred stock unless an Initial Public Offering ("IPO") has been consummated prior to April 1, 2021, or an extension or waiver is obtained upon approval of a majority of the holders of such preferred stock. As the preferred stock becomes redeemable due to the passage of time and the Company believes the likelihood of an event requiring conversion prior April 1, 2021 is remote, the Company considers the preferred stock to be redeemable as of April 1, 2021. The Company records the accretion of the Series A and B preferred stock balances to their respective redemption amounts using the effective interest method. The redeemable convertible preferred stock is presented outside of stockholders' deficit on the balance sheets.

Paycheck Protection Program Loan

The Company accounts for funds received from the Paycheck Protection Program as a financial liability with interest accrued and expensed over the term of the loan under the effective interest method. The loan will remain recorded as a liability until the Company has been legally released from the liability or the Company repays the liability. Any amount that is ultimately forgiven by the lender would be recognized in the statement of operations and comprehensive loss as a gain extinguishment.

Convertible Financial Instruments

The Company bifurcates embedded redemption and conversion options from their host instruments and accounts for them as freestanding derivative financial instruments at fair value, if certain criteria are met. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable GAAP with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Debt discounts under these arrangements are amortized to interest expense using the interest method over the earlier of the term of the related debt or their earliest date of redemption.

From time to time, the Company issues convertible financial instruments to nonemployees in payment for services that are provided. Until the services are completely rendered, the Company will expense the principal and any interest earned prior to the service completion to the representative expense account for the services performed and will record a noncurrent liability for the expected amount of the principal balance. Upon completion of the services, the Company will reclassify the noncurrent liability balance to the balance of an outstanding convertible financial instrument and assess the embedded redemption and conversion options that are applicable at that time.

Common Stock Warrants

During the normal course of business, from time to time, we issue warrants to purchase common stock as part of a debt or equity financing or to vendors as consideration to perform services. We assess each warrant to determine if it meets the characteristics of a liability or a derivative, and if the warrant does meet the characteristics of a liability or a derivative, we classify the warrant as a liability measured at fair value. The derivative liabilities are remeasured at each period end, on a recurring basis, to the estimated fair value with the changes in fair value reflected as current period income or loss until the warrant is exercised, extinguished, or expires. If the warrant does not meet the characteristics of a liability or a derivative, we classify the warrant as equity, and record the warrant at its fair value on the date of issuance. The fair value of our warrants are estimated using the Black-Scholes option pricing model.

Stock-Based Compensation

The Company measures equity classified stock-based awards granted to employees, directors, and nonemployees based on the estimated fair value on the date of grant and recognizes compensation expense of those awards on a straight-line basis over the requisite service period, which is generally the vesting period of the respective award. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model. This valuation model for stock-based compensation expense requires the Company to make assumptions and judgments about the variables used in the calculation including the expected term, the volatility of the Company's common stock, and an assumed risk-free interest rate. As a result, if we revise our assumptions and estimates, our stock-based compensation expense could change. These assumptions include:

Dividend Rate—The expected dividend rate was assumed to be zero, as we have not previously paid dividends on common stock and have no current plans to do so.

Expected Volatility—The expected volatility was derived from the historical stock volatilities of several public companies within our industry that we consider to be comparable to our business over a period equivalent to the expected term of the stock option grants.

Risk-Free Interest Rate—The risk-free interest rate is based on the interest yield in effect at the date of grant for zero coupon U.S. Treasury notes with maturities approximately equal to the option's expected term.

Expected Term—The expected term represents the period that our stock options are expected to be outstanding. The expected term of option grants that are considered to be "plain vanilla" are determined using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options. For other option grants not considered to be "plain vanilla," we determined the expected term to be the contractual life of the options.

Forfeitures – We account for forfeitures as they occur.

Fair Value of Common Stock

Historically, for all periods prior to this initial public offering, the fair values of the shares of our common stock underlying our share-based awards and warrant grants were estimated on each grant date by our board of directors. In order to determine the fair value of our common stock, our board of directors considered, among other things, valuations of our common stock prepared by an independent third-party valuation firm in accordance with the guidance provided by the American Institute of Certified Public Accountants Practice Guide, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation.*

The fair value of the Company's common stock was estimated using a two-step process. First, the Company's enterprise value was established using generally accepted valuation methodologies, such as comparable public company and market adjusted option pricing analysis as well as consideration of company financing transactions. The enterprise value was allocated among the securities that comprise the capital structure of the Company using the option-pricing method. The option-pricing method treats all levels of the capital structure as call options on the enterprise's value, with exercise price based on the "breakpoints" between each of the different claims on the securities. The inputs necessary for the option-pricing model include the current equity value (the enterprise value as previously calculated), breakpoints (the various characteristics for each class of equity, including liquidation preferences and priority distributions, in accordance with the Company's certificate of incorporation, as amended and restated), term, risk-free rate, and volatility.

Given the absence of a public trading market for our common stock, our board of directors exercised their judgment and considered a number of objective and subjective factors to determine the best estimate of the fair value of our common stock, including valuations performed by an independent third party, developments in our operations, sales of preferred stock, the prices, rights, preferences and privileges of our preferred stock relative to the common stock, actual operating results and financial performance and capital resources, the conditions in the our industry and the economy and capital markets in general, the stock price performance and volatility of comparable public companies, the likelihood of achieving a liquidity event for shares of our common stock underlying these stock options, such as an initial public offering or sale of our company, and the lack of liquidity of our common stock, among other factors. After the closing of this offering, our board of directors will determine the fair value of each share of underlying common stock based on the closing price of our common stock as reported on the date of the grant. Our board of directors intended all options granted to be exercisable at a price per share not less than the per share fair value of our common stock underlying those options on the grant date.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between the financial statement and tax basis of assets and liabilities and net operating loss and credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized.

The Company accounts for unrecognized tax benefits using a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company establishes a liability for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. The Company records an income tax liability, if any, for the difference between the benefit recognized and measured and the tax position taken or expected to be taken on the Company's tax returns. To the extent that the assessment of such tax positions changes, the change in estimate is recorded in the period in which the determination is made. The liability is adjusted considering changing facts and circumstances, such as the outcome of a tax audit. The provision for income taxes includes the impact of liability provisions and changes to the liability that are considered appropriate. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

For interim periods, the Company estimates its annual effective income tax rate and applies the estimated rate to the year-to-date income or loss before income taxes. The Company also computes the tax provision or benefit related to items reported separately and recognizes the items net of their related tax effect in the interim periods in which they occur. The Company also recognizes the effect of changes in enacted tax laws or rates in the interim periods in which the changes occur.

Recent Accounting Pronouncements

See Note 3 of the audited financial statements for a discussion of recently issued and recently adopted accounting pronouncements.

Off Balance Sheet Transactions

We do not have any off-balance sheet transactions.

EXECUTIVE OFFICERS, DIRECTORS AND CORPORATE GOVERNANCE

The following table sets forth the names and ages of all of our executive officers and directors. Our officers are appointed by, and serve at the pleasure of, the board of directors.

Name	Age	Position
Michael Leabman	47	Chief Executive Officer, President and Director
Phil Kelly	61	Chief Technology Officer and Vice President of Engineering
Jeremy ("J.") Cogan	52	Chief Financial Officer
Emily Wang Fairbairn	59	Director and Chair of the Board
John Mastrototaro	60	Director
Rubén Caballero	52	Director
Brian Cullinan	61	Director

Biographical information with respect to our executive officers and directors is provided below. There are no family relationships between any of our executive officers or directors.

Officers and Directors

Michael Leabman founded the Company and has served as its President and CEO, and a member of its board of directors, since January 2018. Upon Mr. Mastrototaro's appointment as our President and CEO, Mr. Leabman has agreed to assume the role of Chief Technology Officer. As a serial entrepreneur with a passion for envisioning, inventing and executing, Mr. Leabman has previously founded four other companies in the wireless space and has more than 200 patents issued in smart antenna array for telecom/power. Most recently, Mr. Leabman founded Energous Corporation (Nasdaq: WATT), a wireless charging company, in October 2012, and served as a member of its board of directors from October 2012 until May 2018, and its Chief Technology Officer from October 2013 until January 2018. Prior to Energous, Mr. Leabman founded and served as President of TruePath Wireless, a service provider and equipment provider in the broadband communications industry and founded and served as CTO for DataRunway Inc., a wireless communication company providing broadband internet to airlines. Mr. Leabman received both his Bachelor of Science degree and Master of Engineering degree in electrical engineering from the Massachusetts Institute of Technology. We believe Mr. Leabman is qualified to serve as a member of our board of directors based on his background, experience, qualifications, attributes and skills, including founding our Company and his executive leadership and technical experience in the wireless and broadband communications industry.

John Mastrototaro, Ph.D. has served as a director of the Company since December 2020 and has agreed to become our President and CEO no later than April 1, 2021. Mr. Mastrototaro has over 30 years of experience in the medical device industry, leading innovation and bringing new products to the market. Mr. Mastrototaro has served as the Chief Operating Officer of Orthosensor, Inc. since 2017. Previously, Mr. Mastrototaro spent the majority of his career with Medtronic, PLC. and MiniMed, Inc., where he was instrumental in initiating and leading a series of firsts in the world of diabetes, including the ambulatory continuous glucose monitoring system, the sensor augmented insulin pump and the early generations of the artificial pancreas. Prior to joining Orthosensor, Mr. Mastrototaro was Medtronic's first VP of Informatics from 2013 to 2017, a role in which he helped develop a corporate strategy for the use of data and analytics to improve healthcare delivery. During his tenure in Medtronic's Diabetes division, Mr. Mastrototaro held a number of positions, including CTO, VP of R&D and Business Development and Global VP of Clinical Research and Health Affairs. Mr. Mastrototaro started his career with Eli Lilly. He holds a B.A. in Mathematics and Physics from Holy Cross College and M.S. and Ph.D. in Biomedical Engineering from Duke University. Mr. Mastrototaro has authored over 50 peer reviewed manuscripts and holds over 60 US patents. We believe Mr. Mastrototaro is qualified to serve on our board of directors based on his background, experience, qualifications, attributes and skills, and that his significant knowledge of, and breadth of experience in, the medical device industry in general and diabetes monitoring and care in particular provides valuable insight to our board.

Phil Kelly has served as the Company's Chief Technology Officer and Vice President of Engineering since March 2018. Upon Mr. Leabman's appointment as our Chief Technology Officer, Mr. Kelly has agreed to assume the role of Vice President of Engineering. From April 2014 to December 2017, Mr. Kelly served as Chief Scientist and Vice President Systems Engineering at Energous Corporation, a wireless power company. Prior to joining Energous, Mr. Kelly was an engineering specialist at Northrop Grumman, an aerospace company, working on advanced research and development projects. Mr. Kelly received both his Bachelor of Science and Master of Engineering degrees in electrical engineering from the University of California, Davis.

Jeremy ("J.") Cogan has served as the Company's Chief Financial Officer since May 2019. Mr. Cogan brings 24 years of financial experience to the Company. From July 2007 to December 2018, Mr. Cogan managed the Leisure & Media portfolio at Ascend Capital, a multi-billion-dollar, long/short equity hedge fund, based in the San Francisco Bay Area. At Ascend, he was also a member of the firm's Executive Committee. From January 1995 to May 2007, Mr. Cogan was a member of the equity research team at Banc of America Securities LLC (and its predecessors). For the majority of his tenure at Banc of America Securities, Mr. Cogan was a Principal and Senior Equity Research Analyst, responsible for the Gaming and Lodging sectors. Mr. Cogan received a Bachelor of Arts degree in Communications from the University of Pennsylvania and has been a Chartered Financial Analyst (CFA) Charterholder since September 2000.

Emily Wang Fairbairn has served as a director of the Company and Chair of the Board since March 2018. Ms. Fairbairn was co-founder and CEO of multi-billion-dollar hedge fund, Ascend Capital, from 1999 to 2018. The firm established a long/short equity hedge fund business focused on managing assets for institutional clients such as pensions, endowments and public companies. From 1987 to 1997, Ms. Fairbairn built a successful practice managing equity portfolios for high net worth clients for Merrill Lynch. From 1985 to1987 Ms. Fairbairn worked as a process engineer and supervisor for Pepsi's Frito-Lay brand. Ms. Fairbairn is an active philanthropist with a history of supporting education, athletics, and medical research. She also serves on the funding board of MIT Sandbox Innovation Fund to actively mentor entrepreneurs. Ms. Fairbairn received her Bachelor of Science in chemical engineering from California State Polytechnic University Pomona. We believe Ms. Fairbairn is qualified to serve on our board of directors based on her background, experience, qualifications, attributes and skills, including her background in investment and finance matters, and extensive executive leadership and management experience.

Rubén Caballero has served as a director of the Company since November 2019. Since April 2020, Mr. Caballero has served as Microsoft's Corporate Vice President of Devices & Technology Engineering for the Mixed Reality Division, where he oversees Mixed Reality, AI and other special projects. Mr. Caballero served as a Vice President of Engineering at Apple from 2005 until April 2019, where he was one of the founding leaders of the iPhone hardware design team and later expanded his role to include iPad, Apple Watch, Macintosh, and other hardware products. Mr. Caballero's senior role at Apple provided him with the opportunity to build and scale global teams, including the Wireless Design and Technology team for all the products/ecosystems at Apple, including the iPhone, iPad, Macs, AirPods, HomePod, and accessories. Before Apple, Mr. Caballero worked at two start-ups, where he led efforts for designing innovative products and core technology for wireless networked audio components and devices. Since August 2019, Mr. Caballero has served as a member of the board of directors of Resonant Inc. (Nasdaq: RESN), a company that is working to transform the way radio frequency, or RF, front-ends are being designed and delivered for mobile handset and wireless devices. Mr. Caballero received a Bachelor's degree in Electrical Engineering from École Polytechnique de Montréal, a Master in Electrical Engineering from New Mexico State University and an Honorary Doctorate from École Polytechnique de Montréal. We believe Mr. Caballero is qualified to serve on our board of directors based on his extensive experience in the technology industry, and his technical expertise gained from working with wireless technologies and commercializing products for one of the world's largest technology companies.

Brian Cullinan has served as a director of the Company since August 2020. Mr. Cullinan was a partner at PricewaterhouseCoopers LLP ("PwC") from July 1997 through June 2020. While at PwC, Mr. Cullinan served as a Senior Relationship and Global Engagement Partner with responsibility for numerous PwC Fortune 500 clients. In addition, he served on PwC's U.S. Board of Partners & Principals from 2010 to 2018, including two terms as Lead Director from 2012 to 2016. Mr. Cullinan simultaneously served as a member of PwC's Global Board from 2013 to 2017 and as Managing Partner – Southwest Region from 2011 to 2017. Mr. Cullinan has served in numerous other leadership roles during his career at PwC, including West Region Assurance Leader from 2009 to 2012 and U.S. Entertainment, Media & Communications Assurance Leader from 2007 to 2009. He received a Bachelor of Arts from Cornell University and a Master of Science in Financial Accounting from Northeastern University. We believe Mr. Cullinan is qualified to serve on our board of directors based on his extensive knowledge of, and experience in, the application of accounting principles and the financial reporting process, as well as his extensive executive leadership and management experience.

Director Independence

Our board of directors has determined that Rubén Caballero, Brian Cullinan and Emily Fairbairn are "independent directors" as such term is defined by Nasdaq Marketplace Rule 5605(a)(2). We have established an Audit Committee, a Compensation Committee and a Corporate Governance and Nominating Committee. Each of Mr. Caballero, Mr. Cullinan**,** and Ms. Fairbairn serve as members of the Audit Committee, Compensation Committee and Corporate Governance and Nominating Committee. Our board of directors has determined that Mr. Cullinan is an audit committee financial expert, as defined under the applicable rules of the SEC, and that all members of the Audit Committee are "independent" within the meaning of the applicable Nasdaq listing standards and the independence standards of Rule 10A-3 of the Exchange Act. Each of the members of the Audit Committee meets the requirements for financial literacy under the applicable rules and regulations of the SEC and Nasdaq.

Staggered Board

In accordance with the terms of our Certificate of Incorporation and Bylaws to be in effect upon completion of this offering, our board of directors will be divided into three staggered classes of directors and each director is assigned to one of the three classes. At each annual meeting of the stockholders, a class of directors is elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the directors will expire upon the election and qualification of successor directors at the annual meeting of stockholders to be held during the years 2021 for Class I directors, 2022 for Class II directors and 2023 for Class III directors.

Our Certificate of Incorporation and Bylaws provide that the number of directors shall be fixed from time to time by a resolution of the majority of our board of directors.

The division of our board of directors into three classes with staggered three-year terms may delay or discourage efforts to effect a change of our management or a change in control.

EXECUTIVE AND DIRECTOR COMPENSATION

Our compensation philosophy is to offer our executive officers compensation and benefits that are competitive and meet our goals of attracting, retaining and motivating highly skilled management, which is necessary to achieve our financial and strategic objectives and create long-term value for our stockholders. We believe the levels of compensation we provide should be competitive, reasonable and appropriate for our business needs and circumstances and our board of directors uses benchmark compensation studies in determining compensation elements and levels. The principal elements of our executive compensation program have to date included base salary, annual bonus opportunity and long-term equity compensation in the form of stock options. We believe successful long-term Company performance is more critical to enhancing stockholder value than short-term results. For this reason and to conserve cash and better align the interests of management and our stockholders, we emphasize long-term performance-based equity compensation over base annual salaries.

The following table sets forth information concerning the compensation earned by our Chief Executive Officer and our two most highly compensated executive officers other than the individual who served as our Chief Executive Officer during 2020 (collectively, the "named executive officers") and 2019:

Summary Compensation Table

Name & Position	Fiscal Year	Salary ($)	Bonus ($)	Stock Awards ($) (1)	Option Awards ($) (2)	All Other Compensation ($)	Total ($)
Michael Leabman	2020	275,000	-	-	-	-	275,000
Chief Executive Officer	2019	150,192	-	-	118,800	-	268,992
Phil Kelly	2020	250,000	-	-	-	-	250,000
Chief Technology Officer and VP of Engineering	2019	250,813	-	-	29,920	-	280,733
J. Cogan	2020	250,000	-	267,400	155,200	-	672,600
Chief Financial Officer	2019(3)	168,269	-	-	100,100	-	268,369

(1) The amounts shown in this column indicate the grant date fair value of stock awards granted in the subject year computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718.

(2) The amounts shown in this column indicate the grant date fair value of option awards granted in the subject year computed in accordance with FASB ASC Topic 718. For additional information regarding the assumptions made in calculating these amounts, see notes 9 and 11 to our audited financial statements included herein.

(3) Represents a partial year of employment. Mr. Cogan joined us in May 2019.

Outstanding Equity Awards at 2020 Fiscal Year-End

The following table provides information regarding equity awards held by the named executive officers as of December 31, 2020.

	Option Awards					Stock Awards	
Name & Position	Vesting Commence-ment Date	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Unexercisable (#)(1)	Option Exercise Price ($)	Option Expiration Date	Number of Shares of Stock That Have Not Vested (#)	Market Value of Stock That Have Not Vested ($) (2)
Michael Leabman *Chief Executive Officer*	11/18/19	146,250	393,750	0.38	11/18/29	-	-
Phil Kelly *Chief Technology Officer and VP of Engineering*	03/12/18		37,500	0.68	06/20/28	13,167(3)	42,924
	11/18/19	-	86,000	0.38	11/18/29		
J. Cogan *Chief Financial Officer*	12/07/20	-	80,000	2.00	12/07/30	274,896(4)	896,161

(1) Options vest and become exercisable in equal monthly instalments through the four year anniversary of the vesting commencement date years, subject to the named executive officer's continued employment with us on each applicable vesting date.
(2) The market value of unvested stock awards is based on the fair market value of our common stock on December 31, 2020 of $3.26.
(3) These shares vest in monthly installments of 2,833 shares each.
(4) These shares vest in monthly installments of 9,479 shares each.

Employment Agreements and Change of Control Arrangements

Employment Agreements

The following is a summary of the employment arrangements with our executive officers as currently in effect.

Michael Leabman, Chief Executive Officer, President and currently a director of the Company, purchased 400,000 shares of common stock, effective as of January 30, 2018 pursuant to a Restricted Stock Purchase Agreement. Such shares are subject to vesting over four years based on continued services to the Company and vesting is subject to acceleration upon a change of control transaction and, under certain circumstances, termination of services to the Company. The Company entered into an "at-will" amended and restated offer letter with no fixed term with Mr. Leabman, effective November 29, 2019 which was amended pursuant to a first amendment dated February 10, 2021 (as amended, the "Leabman Offer Letter"). Under the Leabman Offer Letter: (1) Mr. Leabman received an initial base salary of $250,000, which was adjusted to $300,000 in July 2020, and is eligible to receive target performance bonuses equal to 100% of base salary (or any other amount approved by the Board), and (2) Mr. Leabman was awarded stock options to acquire 540,000 shares of common stock, one fourth of which options vested on the November 18, 2020, and the balance of which such options vest in 36 equal monthly installments thereafter. The Leabman Offer Letter provides that (1) if Mr. Leabman is terminated by the Company other than for Cause he is entitled to receive cash severance in an amount equal to 12 months of base salary plus a pro-rated amount of his target bonus based on the number of days he is employed during the year of termination and (2) if there occurs a Change in Control (as defined in the Omnibus Incentive Plan) and in the period prior to and in connection with or in anticipation of such Change in Control and ending on the one-year anniversary of the consummation of such Change in Control, Mr. Leabman is terminated by the Company other than for Cause, 100% of any such options that remain unvested will immediately vest. "Cause" includes, among other items, Mr. Leabman's conviction of a felony involving fraud, misappropriation, embezzlement or dishonesty in conjunction with his duties to Company or repeated willful failure to perform his job duties as defined by the Board or uncured material breach of the Leabman Offer Letter or Mr. Leabman's confidential information and inventions assignment agreement with the Company. Mr. Leabman is also entitled to participate in the Company's regular health insurance and other employee benefit plans established by the Company for its employees from time to time.

The Company has entered into an offer letter with Phil Kelly, the Company's Vice President and Chief Technology Officer, on similar terms to the agreement entered with Michael Leabman. Pursuant to his offer letter Mr. Kelly (1) is being paid a base salary of $250,000, (2) is entitled to a target performance bonus equal to 50% of base salary (or any other amount approved by the Board) and (3) was awarded stock options to acquire 256,000 shares of common stock. Mr. Kelly's Offer Letter provides for severance in connection with an involuntary termination and the acceleration of his stock options in connection with a Change of Control on identical terms as those described in the description of Mr. Leabman's offer letter above.

The Company has entered into an offer letter with J. Cogan, the Company's Chief Financial Officer on similar terms to the agreement entered with Michael Leabman. Pursuant to his offer letter Mr. Cogan (1) is being paid a base salary of $250,000, (2) is entitled to a target performance bonus equal to 75% of base salary (or any other amount approved by the Board) and (3) was awarded stock options to acquire 455,000 shares of common stock. Mr. Cogan's Offer Letter provides for severance in connection with an involuntary termination and the acceleration of his stock options in connection with a Change of Control on identical terms as those described in the description of Mr. Leabman's offer letter above.

The Company has entered into an offer letter with John Mastrototaro, who is currently a director of the Company and has agreed to become President and CEO no later than April 1, 2021, on similar terms to the agreement entered with Michael Leabman. Pursuant to his offer letter Mr. Mastrototaro (1) is will be paid a base salary of $300,000, (2) will be entitled to a target performance bonus equal to 100% of base salary (or any other amount approved by the Board) and (3) was awarded stock options to acquire 1,000,000 shares of common stock. Mr. Mastrototaro's Offer Letter provides for severance in connection with an involuntary termination and the acceleration of his stock options in connection with a Change of Control on identical terms as those described in the description of Mr. Leabman's offer letter above.

Director Compensation

Each of our non-employee directors other than Ms. Fairbairn received stock option grants upon their appointment to the Board and Ms. Fairbairn received an option grant in September 2020. The options granted are subject to vesting with 1/48th of the shares vesting for each month of continuous service. In February, 2021, we adopted a non-employee director compensation policy that will become effective upon the closing of this offering pursuant to which our non-employee directors will receive a $50,000 annual cash retainer plus the following additional annual cash fees: Chair of the Board, $25,000, Chair of the Audit Committee, $20,000 and Chair of the Compensation Committee, $10,000. Beginning in 2022, we expect to begin to pay, in addition, $100,000 of annual equity compensation to each non-employee director who is not Chair of the Board, and $175,000 of annual equity compensation to the non-employee Chair of the Board.

The following table provides information regarding compensation paid to our non-employee directors during the fiscal year ended December 31, 2020.

Name	Fees earned or paid in cash ($)	Stock Awards ($)	Option Awards ($) (1)	All Other Compensation ($)	Total ($)
Ruben Caballero	-	-	-	-	-
Brian Cullinan	-	-	312,000	-	312,000
Emily Wang Fairbairn	-	-	775,000	-	775,000
John Mastrototaro	-	-	868,000	-	868,000

(1) The amounts shown in this column indicate the grant date fair value of option awards granted in the subject year computed in accordance with FASB ASC Topic 718. For additional information regarding the assumptions made in calculating these amounts, see note 9 to our audited financial statements included herein.

The following table shows the number of shares subject to outstanding option awards held by each non-employee director as of December 31, 2020:

Name	Shares Subject to Outstanding Stock Option Awards (#)	Unvested Shares of Restricted Stock, Restricted Stock Units and Deferred Stock Units (#)
Ruben Caballero	540,000	-
Brian Cullinan	-	183,334
Emily Wang Fairbairn	-	385,417
John Mastrototaro	350,000	-

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than compensation agreements and other arrangements, which are described as required by applicable SEC rules under the heading "Executive and Director Compensation" above, there has not been, and there is not currently proposed, any transaction or series of similar transactions to which we were or will be a party in which the amount involved exceeded or will exceed $120,000 in which any director, executive officer, holder of five percent or more of any class of our capital stock or any member of their immediate families had or will have a direct or indirect material interest except as described below.

Michael Leabman purchased 400,000 shares of common stock, effective as of January 30, 2018, in exchange for $5,000, pursuant to a stock purchase agreement.

SilverData Holdings LLC, which is under the direct or indirect control of Michael Leabman's parents, purchased 400,000 shares of common stock, effective as of January 30, 2018, in exchange for $5,000, pursuant to a stock purchase agreement. Mr. Leabman has no legal or beneficial interest in SilverData Holdings LLC.

Leabman Holdings LLC purchased 3,200,000 shares of common stock, effective as of January 30, 2018, in exchange for $40,000, pursuant to a stock purchase agreement. DvineWave Irrevocable Trust dated December 12, 2012 is the sole member and manager of Leabman Holdings LLC. Mr. Leabman is the sole beneficiary of the DvineWave Irrevocable Trust. Gregory Tamkin, the trustee of the DvineWave Irrevocable Trust, has sole voting and dispositive power with respect to all stock of the Company held by Leabman Holdings LLC.

On March 14, 2018, we entered into an agreement (the "Lead Investor Agreement") with Emily Wang Fairbairn (including Maestro Venture Partners LLC and certain other affiliated entities and persons, the "Series A Lead"), pursuant to which the Series A Lead was granted (1) a right of first refusal to purchase up to 100 percent of the securities sold in any offering of securities other than one that is led by an investor that is purchasing securities primarily for strategic, rather than financial, reasons, (2) the right to receive a warrant to purchase a number of shares of common stock equal to ten percent of the number of shares of common stock issued or issuable (in the case of convertible securities) pursuant to securities purchased by the Series A Lead pursuant to the foregoing clause (1) and (3) a pre-emptive right (subject to customary pro rata underwriter cutbacks) to purchase a percentage of common stock sold in the Company's initial public offering equal to the Series A Lead's percentage ownership of the Company's common stock (assuming conversion of all convertible securities) as of immediately prior to such initial public offering and certain additional preemptive and other rights. All such rights will terminate upon the Company's consummation of this offering. In connection with the convertible promissory note offering described below, in August 2020 the Lead Investor Agreement was modified so that in connection with such offering the Lead Investor was entitled to receive warrants to purchase 20,000 shares of common stock for each $1,000,000 of convertible promissory notes purchased by the Lead Investor.

On March 14, 2018, the Series A Lead purchased 1,153,846 shares of Series A preferred stock in exchange for $3,000,000 pursuant to a stock purchase agreement. Pursuant to the Lead Investor Agreement, in connection with the Series A Lead's purchase of such shares of Series A preferred stock, the Series A Lead received a warrant to purchase 475,784 shares of the Company's common stock at an exercise price of $0.0125 per share. The Series A Lead subsequently transferred a portion of these warrants to certain family members and the warrants were exercised in full in June 2019.

On March 18, 2018, Peter Appel, a beneficial owner of more than 5% of our voting securities at that time, purchased 384,615 shares of Series A preferred stock in exchange for $999,999 pursuant to a stock purchase agreement.

On March 28, 2019, Leabman Holdings LLC purchased 477,000 shares of Series B preferred stock in exchange for $1,001,700 pursuant to a stock purchase agreement.

On March 28, 2019, the Series A Lead purchased 238,000 shares of Series B preferred stock in exchange for $499,800 pursuant to a stock purchase agreement. Pursuant to the Lead Investor Agreement, in connection with the Series A Lead's purchase of such shares of Series B preferred stock the Series A Lead received a warrant to purchase 23,800 shares of the Company's common stock at an exercise price of $0.0125 per share. The Series A Lead subsequently transferred a portion of these warrants to certain family members and the warrants were exercised in full in June 2019.

On March 28, 2019, Peter Appel, a beneficial owner of more than 5% of our voting securities at that time, purchased 238,000 shares of Series B preferred stock in exchange for $499,800 pursuant to a stock purchase agreement.

On February 28, 2020, the Series A Lead purchased $500,000 in unsecured convertible promissory notes pursuant to a note purchase agreement. The convertible notes bear interest at 4.0% and mature in February 2022. The convertible notes automatically convert into common stock if the Company completes an initial public offering before the payment or conversion of the entire balance under each convertible note at the lower of: (a) 80% of the lowest per-share selling price in the initial public offering or (b) an implied per-share price determined by dividing $60,000,000 by the Company's then outstanding, fully-diluted capitalization (excluding any outstanding convertible notes and any unallocated option pool) immediately prior to the public offering. Pursuant to the Lead Investor Agreement, in connection with the Series A Lead's purchase of such convertible promissory notes, the Series A Lead received warrants to purchase 10,000 shares of the Company's common stock at an initial exercise price of $2.97 per share.

On August 27, 2020, Brian Cullinan purchased $25,000 in unsecured convertible promissory notes pursuant to a note purchase agreement. The terms of the convertible notes are identical to those described directly above.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding beneficial ownership of our common stock as of December 31, 2020 and following completion of the offering by:

- each person or group of affiliated persons known by us to be the beneficial owner of more than 5% of our common stock;
- each named executive officer and director; and
- all executive officers and directors as a group.

Unless otherwise noted below, the address of each person listed on the table is c/o Movano Inc., 6200 Stoneridge Mall Rd., Suite 300, Pleasanton, CA 94588. To our knowledge, each person listed below has sole voting and investment power over the shares shown as beneficially owned except to the extent jointly owned with spouses or otherwise noted below.

Beneficial ownership is determined in accordance with the rules of the SEC. The information does not necessarily indicate ownership for any other purpose. Under these rules, shares of stock which a person has the right to acquire upon the exercise of options and warrants within 60 days after December 31, 2020 are deemed to be beneficially owned and outstanding for purposes of calculating the number of shares and the percentage beneficially owned by that person. However, these shares are not deemed to be beneficially owned and outstanding for purposes of computing the percentage beneficially owned by any other person. The applicable percentage of common stock prior to and following completion of the offering is based upon 6,393,069 shares outstanding on December 31, 2020 and gives effect to the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock.

The following table does not reflect any potential purchases by our executive officers, directors, their affiliated entities or holders of more than 5% of our common stock in this offering. If any shares are purchased by these persons or entities, the number and percentage of shares of our common stock beneficially owned by them after this offering will differ from the amounts set forth in the following table.

Name and Address of Beneficial Owner	Common Stock	Shares Underlying Preferred Stock and Convertible Notes	Shares Underlying Options and Warrants	Number of Shares Beneficially Owned	Percent- age of Class Owned Prior to the Offering	Percent- age of Class Owned Following the Offering
Directors and Executive Officers						
Rubén Caballero	-	-	168,750	168,750	*	*
J. Cogan [(1)]	595,000	38,326	3,333	636,659	2.8%	2.2%
Brian Cullinan [(2)]	200,000	9,224	-	209,224	*	*
Emily Wang Fairbairn [(3)]	385,417	-	10,000	395,417	1.8%	1.3%
Phil Kelly [(4)]	132,500	-	5,000	137,500	*	*
Michael Leabman	-	-	168,750	168,750	*	*
John Mastrototaro	-	-	8,333	8,333	*	*
Directors and Executive Officers as a group (7 persons)	1,312,917	47,550	364,166	1,724,633	7.6%	5.8%
Five Percent Stockholders						
Leabman Holdings LLC [(5)]	3,200,000	527,496	-	3,727,496	16.7%	12.6%
Fairbairn Trusts [(6)]	614,167	2,954,494	-	3,568,661	16.0%	12.1%

* Less than one percent.

(1) Shares represented in this row include shares owned by the Cogan/Goldberg Living Trust, the Jesse Gabriel Goldberg Cogan Irrevocable Trust and the Maya Brooke Cogan Irrevocable Trust. Mr. Cogan is a trustee of each such trust and has shared voting and dispositive power with respect to these shares. Mr. Cogan disclaims any beneficial ownership of such shares except to the extent of his pecuniary interests therein, and this prospectus shall not be deemed an admission that Mr. Cogan is the beneficial owner of such securities. As of December 31, 2020, 274,896 of these shares were subject to continued vesting requirements.

(2) As of December 31, 2020, 183,334 of these shares were subject to continued vesting requirements.

(3) As of December 31, 2020, 385,417 of these shares were subject to continued vesting requirements.

(4) As of December 31, 2020, 13,167 of these shares were subject to continued vesting requirements.

(5) The address of Leabman Holdings LLC is 8010 E. Cedar Avenue, Denver, Colorado 80230. DvineWave Irrevocable Trust dated December 12, 2012 is the sole member and manager of Leabman Holdings LLC. Mr. Leabman is the sole beneficiary of the DvineWave Irrevocable Trust. Gregory Tamkin and Dorsey & Whitney Trust Company LLC, the trustees of the DvineWave Irrevocable Trust, share voting and dispositive power with respect to all securities of the Company held by Leabman Holdings LLC.

(6) Shares represented in this row include shares owned by the NC Fairbairn Family Trust, the GR Fairbairn Family Trust, the NCF Eagle Trust and the GRF Tiger Trust (collectively, the "Fairbairn Trusts") each of which were established by Ms. Fairbairn for the benefit of certain members of her family. William Ho is the trustee of all of the Fairbairn Trusts as a result of which he has sole voting and dispositive power with respect to these shares. The address of the Fairbairn Trusts is Premier Trust Company, 4465 South Jones Boulevard, Las Vegas, NV 89103.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately $32.1 million from this offering, or approximately $37.1 million if the underwriter exercises its over-allotment option in full and after deducting the underwriting discount and estimated offering expenses payable by us.

We intend to use the net proceeds from this offering as follows:

- approximately $25.0 million for product development; and
- the balance for working capital and general corporate purposes including IP prosecution and maintenance.

We believe that the net proceeds of this offering, together with our existing cash, will be sufficient for us to fund the development and internal and external testing of our planned wearable product to the point where we are able to generate data that will enable us to submit to FDA the 510(k) clearance application for this product. It is possible that we will not achieve the progress that we expect because of unforeseen costs or factors impacting our development and testing timelines, which are difficult to predict and are subject to risks and delays. We have no other committed external sources of funds. The expected net proceeds from this offering are not expected to be sufficient for us to complete the full commercialization of our planned wearable product or any other product. As a result, we expect that we will need to finance our future cash needs through public or private equity offerings, debt financings, corporate collaboration and licensing arrangements or other financing alternatives.

The amounts and timing of our actual expenditures will depend on numerous factors, including the progress and timing of our product development and marketing efforts. Therefore, as of the date of this prospectus, we cannot specify with certainty the specific allocation of the net proceeds to be received upon the completion of this offering. Our management will have broad discretion in the application of the net proceeds, and investors will be relying on the judgment of our management regarding the application of the proceeds from this offering.

Pending our use of the net proceeds from this offering, we intend to invest the net proceeds in a variety of capital preservation investments, including short-term, investment-grade, interest-bearing instruments and U.S. government securities.

DESCRIPTION OF CAPITAL STOCK

The following is a brief description of our capital stock. This summary does not purport to be complete in all respects. This description is subject to and qualified entirely by the terms of our Third Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation"), and our bylaws, each of which we plan to adopt prior to the completion of this offering and copies of which have been filed with the SEC and are also available upon request from us.

Authorized Capitalization

Prior to the closing of this offering, our authorized capital stock consists of: 30,000,000 shares of capital stock authorized under our Certificate of Incorporation, consisting of 22,069,652 shares of common stock with a par value of $0.0001 per share and 7,930,348 shares of preferred stock with a par value of $0.0001 per share. As of December 31, 2020, we had (i) 6,393,069 shares of common stock outstanding held of record by 21 stockholders, 2,692,253 shares of Series A convertible preferred stock outstanding held of record by 35 stockholders and 4,942,319 shares of Series B convertible preferred stock outstanding held of record by 187 stockholders.

Upon the closing of this offering, we will amend and restate our certificate of incorporation to provide that our authorized capital stock will consist of (i) 75,000,000 shares of common stock, $0.0001 par value per share and (ii) 5,000,000 shares of preferred stock, par value $0.0001 per share. Upon the closing of this offering, all outstanding shares of our Series A and Series B preferred stock will be converted into shares of common stock.

Each share of our Series A convertible preferred stock has accrued a dividend at a rate of 6% since its initial issuance and will automatically convert into common stock upon the closing of this offering at a conversion price of $1.40 per share. Assuming the offering closed on December 31, 2020, the 2,692,253 shares of Series A convertible preferred stock currently outstanding would have converted into 5,835,078 shares of common stock. Each share of our Series A convertible preferred stock is also voluntarily convertible by the holder thereof at any time up to 10 calendar days prior to the closing of this offering at a conversion price equal to $1.40 per share.

Each share of our Series B convertible preferred stock has accrued a dividend at a rate of 6% since its initial issuance and will automatically convert into common stock upon the closing of this offering at a conversion price of $2.10 per share. Assuming the offering closed on December 31, 2020, the 4,942,319 shares of Series B convertible preferred stock currently outstanding would have converted into 5,464,347 shares of common stock. Each share of our Series B convertible preferred stock is also voluntarily convertible by the holder thereof at any time up to 10 calendar days prior to the closing of this offering at a conversion price equal to $2.10 per share.

Our authorized but unissued shares of common and preferred stock are available for issuance without further action by our stockholders, unless such action is required by applicable law or the rules of any stock exchange or automated quotation system on which our securities may be listed or traded.

Common Stock

Based on the 6,393,069 shares of common stock outstanding as of December 31, 2020, and assuming (1) the conversion of all of the outstanding shares of Series A convertible preferred stock and Series B convertible preferred stock and convertible notes into an aggregate of 15,956,343 shares of our common stock and (2) the issuance by us of shares of common stock in this offering, there will be 29,549,412 shares of common stock outstanding upon the closing of this offering.

Holders of our common stock are entitled to such dividends as may be declared by our board of directors out of funds legally available for such purpose. The shares of common stock are neither redeemable nor convertible. Holders of common stock have no preemptive or subscription rights to purchase any of our securities.

Each holder of our common stock is entitled to one vote for each such share outstanding in the holder's name. No holder of common stock is entitled to cumulate votes in voting for directors.

In the event of our liquidation, dissolution or winding up, the holders of our common stock are entitled to receive pro rata our assets, which are legally available for distribution, after payments of all debts and other liabilities. All of the outstanding shares of our common stock are fully paid and non-assessable. The shares of common stock offered by this prospectus will also be fully paid and non-assessable.

Preferred Stock

Following the closing of this offering, there will be no shares of preferred stock outstanding. Upon the closing of this offering, our Board of Directors will be authorized to issue from time to time, without further action by the stockholders, to issue up to 5,000,000 shares of preferred stock in one or more series and to fix the designations, powers, rights, preferences, qualifications, limitations and restrictions thereof. These designations, powers, rights and preferences could include voting rights, dividend rights, dissolution rights, conversion rights, exchange rights, redemption rights, liquidation preferences, and the number of shares constituting any series or the designation of such series, any or all of which may be greater than the rights of common stock. The issuance of preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon liquidation. In addition, the issuance of preferred stock could have the effect of delaying, deferring or preventing change in our control or other corporate action. We have no present plan to issue any shares of preferred stock.

Convertible Notes

From February through August 2020, the Company issued approximately $12.5 million in subordinated convertible promissory notes (the "Convertible Notes") to 337 investors, including approximately $0.7 million for payment for services. The Convertible Notes bear interest at 4.0% and mature in February 2022. The Convertible Notes automatically convert into common stock if the Company completes an initial public offering before the payment or conversion of the entire balance under each convertible note at the lower of: (a) 80% of the lowest per-share selling price in the initial public offering or (b) an implied per-share price determined by dividing $60,000,000 by the Company's then outstanding, fully-diluted capitalization (excluding any outstanding convertible notes and any unallocated option pool) immediately prior to the public offering. Assuming the initial public offering was consummated on December 31, 2020, the Convertible Notes would have converted into 4,656,918 shares of our common stock.

Stock Options and Warrants

As of December 31, 2020, we had reserved the following shares of common stock for issuance pursuant to stock options, warrants and Omnibus Incentive Plan:

- 961,743 shares of common stock issuable upon the exercise of outstanding warrants, at a weighted average exercise price of $2.08 per share;
- 3,188,011 shares of our common stock issuable upon the exercise of outstanding stock options issued pursuant to our Omnibus Incentive Plan at a weighted average exercise price of $0.66 per share;
- 1,254,489 shares of our common stock reserved for future issuance under our Omnibus Incentive Plan.

Of our outstanding warrants, 231,461 were issued as consideration for placement agent services provided in connection with the issuance of 1,066,912 shares of Series A preferred stock issued on March 13, 2018 (the "First Closing Series A Shares"). Upon consummation of the offering and the automatic conversion of the Series A preferred stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of the First Closing Series A Shares, inclusive of shares issued upon conversion of accrued dividends on such shares. 58,153 of our outstanding warrants were issued as consideration for placement agent services provided in connection with the issuance of 269,573 shares of Series A preferred stock issued on April 23, 2018 (the "Second Closing Series A Shares"). Upon consummation of the offering and the automatic conversion of the Series A preferred stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of the Second Closing Series A Shares, inclusive of shares issued upon conversion of accrued dividends on such shares. 458,078 of our outstanding warrants were issued as consideration for placement agent services provided in connection with the issuance of 4,142,270 shares of Series B preferred stock issued on March 28, 2019. Upon consummation of the offering and the automatic conversion of the Series B preferred stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of such Series B preferred shares, inclusive of shares issued upon conversion of accrued dividends on such shares. Of our outstanding warrants, 214,050 were issued to the Lead Investor and as consideration for placement agent services provided in connection with the issuance of convertible notes as described above (the "Convertible Note Warrants"). The Convertible Note Warrants are exercisable at an initial exercise price equal to $2.97; provided, that upon consummation of the offering and the automatic conversion of the Convertible Notes in connection therewith the exercise price of such warrants shall be adjusted to equal the conversion price upon which such convertible notes are converted.

2019 Omnibus Incentive Plan

In October 2019, our board of directors and stockholders approved the 2019 Omnibus Incentive Plan which was amended in September 2020 and December 2020 (as amended, the "Omnibus Incentive Plan") under which 6,000,000 shares of common stock are reserved for issuance and which provides for the grant of incentive stock options and non-qualified stock options to purchase shares of our common stock, restricted stock and restricted stock units, performance awards and other share-based awards. The purpose of the plan is to enhance the Company's ability to attract and retain highly qualified officers, non-employee directors, key employees and consultants, and to motivate such persons to serve the Company and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company.

In February 2021, our board of directors and stockholders approved an amendment and restatement of the Omnibus Incentive Plan which, effective upon completion of the offering, will increase the amount of shares of common stock reserved for issuance thereunder to 7,400,000.

All officers, directors and employees and certain consultants to our company are eligible to participate under the Omnibus Incentive Plan. The Omnibus Incentive Plan provides that options may not be granted at an exercise price less than the fair market value of our common shares on the date of grant. The Omnibus Incentive Plan is administered by the board of directors or a committee thereof, which currently is the Compensation Committee. The board of directors and the committee have the discretion to determine the nature of the awards and the number of shares subject to an award, the exercise price, vesting provisions, and the term of the award. Awards under the Omnibus Incentive Plan are intended to be exempt from Section 16 of the Exchange Act, and will be administered to achieve this objective.

Registration Rights Agreement

In connection with our 2018 Series A preferred stock financing and our 2019 Series B preferred stock financing we entered into an amended and restated registration rights agreement, pursuant to which we will be required, upon the written request at any time more than 180 days after the completion of this offering by the holders of at least 50% of the shares that are entitled to registration rights under the registration rights agreement, to register, as soon as practicable, all or a portion of these shares for public resale. We are required to effect only one registration pursuant to this provision of the registration rights agreement. These demand registration rights terminate as to each investor when their shares subject to the registration rights agreement may be sold by the investor pursuant to Rule 144 under the Securities Act without regard to both the volume limitations for sales as provided in Rule 144.

In addition, the registration rights agreement contains piggyback registration rights with respect our capital stock held by these investors. These piggyback registration rights terminate with respect to each stockholder when their shares subject to the registration rights agreement may be sold by the stockholder pursuant to Rule 144 under the Securities Act without regard to both the volume limitations for sales as provided in Rule 144.

If we register any of our securities for our own account, after the completion of this offering, the holders of these shares are entitled to include their shares in the registration. Both we and the underwriters of any underwritten offering have the right to limit the number of shares registered by these holders for marketing reasons, subject to limitations set forth in the registration rights agreement with these investors.

Anti-Takeover Effects of Certain Provisions of Delaware Law and Our Charter Documents

The following is a summary of certain provisions of Delaware law, our Certificate of Incorporation and our bylaws. This summary does not purport to be complete and is qualified in its entirety by reference to the corporate law of Delaware and our Certificate of Incorporation and bylaws.

Effect of Delaware Anti-Takeover Statute. We are subject to Section 203 of the Delaware General Corporation Law, an anti-takeover law. In general, Section 203 prohibits a Delaware corporation from engaging in any business combination (as defined below) with any interested stockholder (as defined below) for a period of three years following the date that the stockholder became an interested stockholder, unless:

- prior to that date, the board of directors of the corporation approved either the business combination or the transaction that resulted in the stockholder becoming an interested stockholder;

- upon consummation of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the number of shares of voting stock outstanding (but not the voting stock owned by the interested stockholder) those shares owned by persons who are directors and officers and by excluding employee stock plans in which employee participants do not have the right to determine whether shares held subject to the plan will be tendered in a tender or exchange offer; or

- on or subsequent to that date, the business combination is approved by the board of directors of the corporation and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least 66 2/3% of the outstanding voting stock that is not owned by the interested stockholder.

Section 203 defines "business combination" to include the following:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, pledge or other disposition of 10% or more of the assets of the corporation involving the interested stockholder;
- subject to certain exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to limited exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; or
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation, or who beneficially owns 15% or more of the outstanding voting stock of the corporation at any time within a three-year period immediately prior to the date of determining whether such person is an interested stockholder, and any entity or person affiliated with or controlling or controlled by any of these entities or persons.

Our Charter Documents. Our charter documents include provisions that may have the effect of discouraging, delaying or preventing a change in control or an unsolicited acquisition proposal that a stockholder might consider favorable, including a proposal that might result in the payment of a premium over the market price for the shares held by our stockholders. Certain of these provisions are summarized in the following paragraphs.

Effects of authorized but unissued common stock. One of the effects of the existence of authorized but unissued common stock may be to enable our board of directors to make more difficult or to discourage an attempt to obtain control of our Company by means of a merger, tender offer, proxy contest or otherwise, and thereby to protect the continuity of management. If, in the due exercise of its fiduciary obligations, the board of directors were to determine that a takeover proposal was not in our best interest, such shares could be issued by the board of directors without stockholder approval in one or more transactions that might prevent or render more difficult or costly the completion of the takeover transaction by diluting the voting or other rights of the proposed acquirer or insurgent stockholder group, by putting a substantial voting block in institutional or other hands that might undertake to support the position of the incumbent board of directors, by effecting an acquisition that might complicate or preclude the takeover, or otherwise.

Undesignated Preferred Stock. Our board of directors has the ability to issue preferred stock with voting or other rights, preferences and privileges that could have the effect of deterring hostile takeovers or delaying changes in control of our Company or management.

Cumulative Voting. Our Certificate of Incorporation does not provide for cumulative voting in the election of directors, which would allow holders of less than a majority of the stock to elect some directors.

Classified Board of Directors. Our Certificate of Incorporation and Bylaws provide that our board of directors is divided into three classes, with members of each class serving staggered three-year terms. Our classified Board of Directors could have the effect of delaying or discouraging an acquisition of us or a change in management.

Vacancies. Our Certificate of Incorporation provides that all vacancies may be filled by the affirmative vote of a majority of directors then in office, even if less than a quorum.

Actions at Meetings of Stockholders; Special Meeting of Stockholders and Advance Notice Requirements for Stockholder Proposals. Our Certificate of Incorporation and Bylaws require that any action required or permitted to be taken by our stockholders must be effected at a duly called annual or special meeting of the stockholders and may not be effected by a consent in writing. Our Certificate of Incorporation and Bylaws also provide that special meetings of stockholders may be called from time to time only by a majority of our board of directors, our president, chief executive officer or the chairman of the board for the purpose specified in the notice of meeting. In addition, the Bylaws provide that candidates for director may be nominated and other business brought before an annual meeting only by the Board of Directors or by a stockholder who gives written notice to us not less than 90 days, nor more than 120 days, prior to the first anniversary of the preceding year's annual meeting, subject to certain exceptions. Such stockholder's notice must set forth certain information required by the Bylaws. These provisions may have the effect of deterring unsolicited offers to acquire our company or delaying stockholder actions, even if they are favored by the holders of a majority of our outstanding voting securities.

Supermajority Voting for Amendments to Our Governing Documents. Amendments to certain provisions our Certificate of Incorporation relating to our board of directors, actions of stockholders, director liability, choice of forum and amendments to our Certificate of Incorporation will require the affirmative vote of at least 66 2/3% of the voting power of all shares of our capital stock then outstanding. Our Certificate of Incorporation provides that the board of directors is expressly authorized to adopt, amend or repeal our Bylaws and that our stockholders may amend our Bylaws only with the approval of at least 66 2/3% of the voting power of all shares of our capital stock then outstanding.

Choice of Forum. Our Certificate of Incorporation provides that, subject to certain exceptions, the Court of Chancery of the State of Delaware will be the exclusive forum for any claim, including any derivative claim, (i) that is based upon a violation of a duty by a current or former director or officer or stockholder in such capacity or (ii) as to which the Delaware General Corporation Law, or any other provision of Title 8 of the Delaware Code, confers jurisdiction upon the Court of Chancery. Additionally, our Certificate of Incorporation provides that the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933.

DIVIDEND POLICY

We have never declared or paid any dividends on our capital stock, and do not plan to do so for the foreseeable future. We expect that we will retain all of our available funds and future earnings, if any, for use in the operation and expansion of our business. The terms of any loan agreement we enter into or any debt securities we may issue are likely to contain restrictions on our ability to pay dividends on our capital stock. Subject to the foregoing, the payment of dividends in the future, if any, will be at the discretion of our board of directors and will depend upon such factors as earnings levels, capital requirements, restrictions imposed by applicable law, our overall financial condition and any other factors deemed relevant by our board of directors.

CAPITALIZATION

The following table sets forth our actual cash and capitalization, each as of December 31, 2020:

- on an actual basis;
- on a pro forma basis to reflect the filing of our Third Amended and Restated Certificate of Incorporation in connection with this offering and to give effect to the assumed conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock; and
- on a pro forma as adjusted basis, to further reflect the sale by us 7,200,000 of shares of our common stock in the offering at the initial public offering price of $5.00 per share, and after deducting the underwriting discount and estimated offering expenses payable by us and the receipt by us of the expected net proceeds of such sale.

The pro forma and pro forma as adjusted information below is illustrative only, and our capitalization following the closing of this offering may differ from that shown below based on terms of this offering determined at pricing. You should read this information together with the sections entitled "Summary Financial Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our financial statements and the related notes, which appear elsewhere in this prospectus.

	As of December 31, 2020		
	Actual	Pro Forma	Pro Forma As Adjusted
Cash and cash equivalents	$ 5,710	$ [●]	$ [●]
Debt:			
PPP Loan	$ 351	[●]	[●]
Convertible promissory notes, net	11,342	[●]	[●]
Total debt	11,693	[●]	[●]
Series A redeemable convertible preferred stock, $0.0001 par value; 2,692,253 shares authorized; 2,692,253 shares issued and outstanding, actual; no shares authorized, issued or outstanding pro forma and pro forma as adjusted;	13,856	—	—
Series B redeemable convertible preferred stock, $0.0001 par value; 5,238,095 shares authorized; 4,942,319 shares issued and outstanding, actual; no shares authorized, issued or outstanding pro forma and pro forma as adjusted;	18,962	—	—
Stockholders' deficit:			
Common stock, $0.0001 par value; 22,069,652 shares authorized; 6,393,069 shares issued and outstanding, actual; 75,000,000 shares authorized and 22,349,412 shares issued and outstanding, pro forma, and 75,000,000 shares authorized and 29,549,412 shares issued and outstanding, pro forma as adjusted	1	[●]	[●]
Additional paid-in capital	—	[●]	[●]
Accumulated deficit	(40,881)	[●]	[●]
Total stockholders' deficit	(40,880)	[●]	[●]
Total capitalization	$ 3,631	$ [●]	$ [●]

(1) The number of shares of our common stock to be outstanding after this offering is based on 6,393,069 shares of common stock outstanding as of December 31, 2020, gives effect to the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock, and excludes the following:

- 961,743 shares of common stock issuable upon the exercise of outstanding warrants, at a weighted average exercise price of $2.08 per share;
- 3,188,011 shares of our common stock issuable upon the exercise of outstanding stock options issued pursuant to our Omnibus Incentive Plan at a weighted average exercise price of $0.66 per share;
- 1,254,489 shares of our common stock reserved for future issuance under our Omnibus Incentive Plan; and
- shares of our common stock issuable upon exercise of the underwriter warrant.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share of our common stock and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering.

Net tangible book value per share represents total tangible assets less total liabilities, divided by the number of shares of common stock outstanding. Our historical net tangible book value as of December 31, 2020 was ($8.1 million), or ($1.26) per share of common stock. On a pro forma basis after giving effect to the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock, our pro forma net tangible book value as of December 31, 2020 would have been $3.6 million or $0.16 per share. After giving effect to our sale of 7,200,000 shares in this offering at the initial public offering price of $5.00 per share, after deducting the underwriting discount and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of December 31, 2020 would have been $35.6 million or $1.21 per share. This represents an immediate increase in pro forma as adjusted net tangible book value of $1.05 per share to existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $3.79 per share to investors in this offering. The following table illustrates this dilution on a per share basis:

Initial public offering price		$ 5.00
Historical net tangible book value per share as of December 31, 2020	$ (1.26)	
Increase in pro forma net tangible book value per share attributable to conversion of preferred stock and convertible notes	1.42	
Pro forma tangible book value per share, after giving effect to conversion of preferred stock and convertible notes	0.16	
Increase in pro forma net tangible book value per share attributable to this offering	1.05	
Pro forma as adjusted tangible book value per share, after giving effect to this offering		$ 1.21
Dilution per share to new investors		$ 3.79

If the underwriter exercises its over-allotment option in full, the pro forma as adjusted net tangible book value per share after giving effect to this offering would be $1.33 per share, which amount represents an immediate increase in pro forma as adjusted net tangible book value of $1.17 per share of our common stock to existing stockholders and an immediate dilution in pro forma as adjusted net tangible book value of $3.67 per share of our common stock to new investors purchasing shares of common stock in this offering.

The following table summarizes, on a pro forma as adjusted basis as described above as of December 31, 2020, the number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid to us by our existing stockholders and by new investors purchasing shares of common stock in this offering at the initial public offering price of $5.00 per share, before the deduction of the underwriting discount and estimated offering expenses payable by us. Investors purchasing shares of our common stock in this offering will pay an average price per share substantially higher than our existing stockholders paid.

	Shares Purchased		Total Consideration		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing stockholders	22,349,412	75.6%	$ 30,613,540	46.0%	$ 1.37
New investors	7,200,000	24.4%	$ 36,000,000	54.0%	$ 5.00
Total	29,549,412	100.0%	$ 66,613,540	100.0%	$ 2.25

If any shares are issued upon exercise of outstanding options or warrants, you may experience further dilution.

The above discussion and tables are based on shares of common stock outstanding as of December 31, 2020, give effect to the conversion of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes at December 31, 2020 into an aggregate of 15,956,343 shares of our common stock, and exclude the following:

- 961,743 shares of common stock issuable upon the exercise of outstanding warrants, at a weighted average exercise price of $2.08 per share;
- 3,188,011 shares of our common stock issuable upon the exercise of outstanding stock options issued pursuant to our Omnibus Incentive Plan at a weighted average exercise price of $0.66 per share;
- 1,254,489 shares of our common stock reserved for future issuance under our Omnibus Incentive Plan; and
- shares of our common stock issuable upon exercise of the underwriter warrant.

We may choose to raise additional capital through the sale of equity or convertible debt securities due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. To the extent that any of these options or warrants are exercised, new options are issued under our Omnibus Incentive Plan or we issue additional shares of common stock or other equity securities in the future, there may be further dilution to new investors participating in this offering.

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our securities, and we cannot predict the effect, if any, that market sales of our securities or the availability of our securities for sale will have on the market price of our securities prevailing from time to time. Nevertheless, sales of substantial amounts of our common stock, including shares issued upon exercise of outstanding options, in the public market following this offering could adversely affect market prices prevailing from time to time and could impair our ability to raise capital through the sale of our equity securities.

Upon the closing of this offering, we will have a total of 29,549,412 shares of our common stock outstanding (30,629,412 shares if the underwriter exercises its over-allotment option in full), based on the 6,393,069 shares of our common stock outstanding as of December 31, 2020, assuming the conversion of all of our outstanding shares of Series A preferred stock and Series B preferred stock and outstanding convertible notes into an aggregate of 15,956,343 shares of our common stock, immediately prior to the completion of this offering. Of these outstanding shares, all of the 7,200,000 shares of common stock sold in this offering will be freely tradable, except that pursuant to lock-up agreements entered into in connection with the offering any shares purchased in the offering by our officer and directors and their affiliates and related parties are subject to a 12 month lock-up period.

The remaining outstanding shares of our common stock will be deemed "restricted securities" as defined in Rule 144. Restricted securities may be sold in the public market only if they are registered under the Securities Act or if they qualify for an exemption from registration under Rule 144 or Rule 701 promulgated under the Securities Act, which rules are summarized below. In addition, our executive officers, directors and substantially all of our existing stockholders have entered into lock-up agreements with the underwriter under which they have agreed, subject to specific exceptions, not to sell any of our stock for at least 180 days following the date of this prospectus, as described below. As a result of these agreements, subject to the provisions of Rule 144 or Rule 701, following completion of the offering, and assuming that no shares purchased in the offering are covered by lock-up agreements, shares will be available for sale in the public market as follows:

- Beginning on the date of this prospectus, all of the shares sold in this offering will be immediately available for sale in the public market;
- Beginning 181 days after the date of this prospectus, approximately 12.7 million additional shares of common stock will become eligible for sale in the public market, of which no shares will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below;
- Beginning 365 days after the date of this prospectus, approximately 9.7 million additional shares of common stock will become eligible for sale in the public market, of which approximately 8.7 million shares will be held by affiliates and subject to the volume and other restrictions of Rule 144, as described below; and
- The remainder of the shares will be eligible for sale in the public market from time to time thereafter, subject in some cases to the volume and other restrictions of Rule 144, as described below.

Rule 144

In general, under Rule 144 as currently in effect, once we have been subject to public company reporting requirements for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares proposed to be sold for at least six months, including the holding period of any prior owner other than our affiliates, is entitled to sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares upon expiration of the lock-up agreements described above, without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares on behalf of our affiliates are entitled to sell upon expiration of the lock-up agreements described above, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of common stock then outstanding, which will equal approximately 295,494 shares immediately after this offering; or
- the average weekly trading volume of common stock on the Nasdaq Capital Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales under Rule 144 by our affiliates or persons selling shares on behalf of our affiliates are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who purchased shares of our common stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required by that rule to wait until 90 days after the date of this prospectus before selling those shares pursuant to Rule 701, subject to the market standoff agreements and lock-up agreements described above.

Stock Options

As soon as practicable after the closing of this offering, we intend to file one or more registration statements on Form S-8 under the Securities Act covering all of the shares of our common stock subject to outstanding options and the shares of our common stock reserved for issuance under our stock plans. In addition, we intend to file a registration statement on Form S-8 or such other form as may be required under the Securities Act for the resale of shares of our common stock issued upon the exercise of options that were not granted under Rule 701. We expect to file this registration statement as soon as permitted under the Securities Act and the terms of the lock-up agreements described below. However, the shares registered on Form S-8 may be subject to the volume limitations and the manner of sale, notice and public information requirements of Rule 144 and will not be eligible for resale until expiration of the lock-up and market standoff agreements to which they are subject.

Lock-up Agreements

For a description of the lock-up agreements with the underwriter that restrict sales of shares by us and our executive officers and directors, see the information under the heading “Underwriting.”

UNDERWRITING

We are offering the shares of common stock described in this prospectus through the underwriter, National Securities Corporation, which is acting as lead managing underwriter of the offering.

We have agreed to enter into an underwriting agreement with the underwriter prior to the closing of this offering. Subject to the terms and conditions of the underwriting agreement, we will agree to sell to the underwriter, and the underwriter will agree to purchase, at the public offering price less the underwriting discounts and commissions set forth on the cover page of this prospectus, as it may be supplemented, shares of common stock.

The underwriter is committed to purchase all of the common shares offered by us, other than those covered by the option to purchase additional shares described below, if they purchase any shares. The underwriting agreement provides that the underwriter's obligations to purchase shares of our common stock are subject to conditions contained in the underwriting agreement. A copy of the underwriting agreement has been filed as an exhibit to the registration statement of which this prospectus forms a part.

We have been advised by the underwriter that the underwriter proposes to offer shares of our common stock directly to the public at the public offering price set forth on the cover page of this prospectus and to certain dealers that are members of the Financial Industry Regulatory Authority, or FINRA. Any securities sold by the underwriter to such securities dealers will be sold at the public offering price less a selling concession not in excess of $ per share. After the public offering of the shares, the offering price and other selling terms may be changed by the underwriter.

None of our securities included in this offering may be offered or sold, directly or indirectly, nor may this prospectus and any other offering material or advertisements in connection with the offer and sales of any of our common stock, be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of that jurisdiction. Persons who receive this prospectus are advised to inform themselves about and to observe any restrictions relating to this offering of our common stock and the distribution of this prospectus. This prospectus is neither an offer to sell nor a solicitation of any offer to buy any of our common stock included in this offering in any jurisdiction where that would not be permitted or legal.

The underwriter has advised us that it does not intend to confirm sales to any accounts over which they exercise discretionary authority.

The following table shows the underwriting discount payable to the underwriter by us in connection with this offering. Such amounts are shown assuming both no exercise and full exercise of the underwriter's over-allotment option to purchase additional shares. The underwriter has agreed that it will not be entitled to a discount for the participation of a few investors with whom we have a pre-existing relationship, however the following table assumes that the underwriter receives a discount on all of the offered shares.

Underwriting Discounts and Expenses

	Without Over-Allotment	With Over-Allotment
Public offering price	$ 36,000,000	$ 41,400,000
Underwriting discount to be paid to the underwriter	$ 2,754,000	$ 3,167,100
Net proceeds, before other expenses	$ 33,246,000	$ 38,232,900

In addition to the discount set forth in the above table, we have agreed to issue to the underwriter and its designees a warrant to purchase up to 10% of the shares of common stock sold in this offering and to pay $150,000 for their counsel's fees as well as $25,000 for certain of their accountable expenses. The terms of the underwriter's warrant are more fully described in this section under the caption, "Underwriter Warrants."

Over-Allotment Option

We have granted to the underwriter an option, exercisable not later than 45 days after the date of this prospectus, to purchase additional shares of our common stock (up to 15% of the shares firmly committed in this offering) at the public offering price, less the underwriting discount, set forth on the cover page of this prospectus. The underwriter may exercise the option solely to cover over-allotments, if any, made in connection with this offering. If any additional shares of our common stock are purchased pursuant to the over-allotment option, the underwriter will offer these additional shares of our common stock on the same terms as those on which the other shares of common stock are being offered hereby.

Determination of Offering Price Listing

We have applied to list our common stock on the Nasdaq Capital Market under the symbol "MOVE". In order to meet the requirements for listing on that exchange, the underwriters have undertaken to sell a minimum number of shares to a minimum number of beneficial owners as required by that exchange.

Before this offering, there has been no public market for our common stock. There is no current market for our common stock. Our underwriter, National Securities Corporation, is not obligated to make a market in our securities, and even if it chooses to make a market, can discontinue at any time without notice. Neither we nor the underwriter can provide any assurance that an active and liquid trading market in our securities will develop or, if developed, that the market will continue.

The public offering price of the shares offered by this prospectus has been determined by negotiation between us and the underwriter. Among the factors considered in determining the public offering price of the shares were:

- our history and our prospects;
- the industry in which we operate;
- our past and present operating results;
- the previous experience of our executive officers; and
- the general condition of the securities markets at the time of this offering.

The offering price stated on the cover page of this prospectus should not be considered an indication of the actual value of the shares. Upon the commencement of trading, the price of our shares will be subject to change as a result of market conditions and other factors, and we cannot assure you that the shares can be resold at or above the public offering price.

Underwriter Warrants

In connection with this offering, we have agreed to issue to the underwriter and its designees a warrant to purchase shares of our common stock equal to 10% of the shares of common stock sold in this offering. This warrant is exercisable at $6.00 per share (120% of the price of the common stock sold in this offering), expiring five years from the date of this prospectus. The warrant and the shares of common stock underlying the warrant have been deemed compensation by FINRA and are therefore subject to a six-month lock-up pursuant to Rule 5110(g)(1) of FINRA. Additionally, National Securities Corporation has contractually agreed that it (or its permitted assignees under the Rule) will not sell, transfer, assign, pledge, or hypothecate this warrant or the securities underlying this warrant, nor will it engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of this warrant or the underlying securities for a period of twelve months from the effective date of the offering.

In connection with its role as placement agent in our offerings of Series A preferred stock and Series B preferred stock, we issued to National Securities Corporation and its designees warrants to purchase shares of our common stock in an amount equal to 10% of the shares of common stock issuable upon conversion of 1,336,485 shares of our Series A preferred stock and warrants to purchase shares of our common stock in an amount equal to 10% of the shares of common stock issuable upon conversion of 4,142,270 shares of our Series B preferred stock. The warrants relating to the Series A preferred stock are exercisable at $1.40 per share and the warrants relating to the Series B preferred stock are exercisable at $2.10 per share, subject to proportional adjustment in the events of combinations, subdivisions or the like. The warrants expire five year from the date of grant.

In connection with our offering of convertible notes, we issued to Newbridge Securities warrants to purchase 161,830 shares of our common stock as consideration for their services as placement agent. The warrants have a term of five years and an initial exercise price of $2.97 per share. Upon automatic conversion of the related promissory notes, the exercise price of these warrants is automatically adjusted to the conversion price. The warrants and the shares of common stock underlying the warrants have been deemed compensation by FINRA and are therefore subject to a six-month lock-up pursuant to Rule 5110(g)(1) of FINRA. Newbridge Securities (or permitted assignees under the Rule) will not sell, transfer, assign, pledge, or hypothecate the warrants or the underlying common shares, nor will it engage in any hedging, short sale, derivative, put, or call transaction that would result in the effective economic disposition of the warrants or the underlying common shares for a period of six months from the effective date of the offering.

In connection with our offering of convertible notes, we issued to National Securities Corporation and its designees warrants to purchase 42,220 shares of our common stock (in addition to $[●] in cash compensation, which comprised a portion of the aggregate $[●] in cash compensation paid to the placement agents in connection with the offering). Those warrants were cancelled by their holders, for no consideration, in February 2021.

Pursuant to our engagement agreement with Liquid Patent Advisors, LLC, in February 2018, we issued to Liquid Patent Advisors, LLC warrants to purchase up to 303,000 shares of our common stock, exercisable at $0.0125 per share, expiring after a term of five years. The warrants were issued in consideration of Liquid Patent Advisors, LLC's provision of consulting services. The warrants provide its holders with certain registration and piggyback registration rights. In October 2020, all of the consulting warrants were net exercised, resulting in the issuance of 295,985 shares of common stock. The principals of Liquid Patent Advisors, LLC hold investment banking positions with National Securities Corporation. The principals of Liquid Patent Advisors, LLC conduct their investment banking activities at National Securities Corporation under the fictitious business name "Liquid Venture Partners". Liquid Venture Partners is not a broker-dealer and will not participate in this offering. While the principals of Liquid Venture Partners will receive from National Securities Corporation a portion of the underwriting compensation, Liquid Venture Partners will not receive any other compensation or reimbursement of expenses in connection with this offering, directly or indirectly, from us or National Securities Corporation.

Lock-Up Agreements

In connection with our issuance of warrants to purchase shares of our common stock to Liquid Patent Advisors, LLC and National Securities Corporation, including the underwriter warrant to be issued to National Securities upon the completion of this offering, Liquid Patent Advisors and National Securities have agreed not to sell, transfer or pledge, or offering to do any of the same, directly or indirectly, the shares of common stock issuable upon exercise of such warrants for a period of 12 months following the close of this offering.

We and all of our directors and officers and the holders of our common stock outstanding on the date of this prospectus have agreed in connection with the present offering, that, without the prior written consent of National Securities Corporation, not to sell, transfer or pledge, or offer to do any of the same, directly or indirectly, any of our outstanding shares of common stock, for a period of 12 months following the close of this offering. The holders of Series A preferred stock, Series B preferred stock and convertible notes have agreed in connection with the present offering, that, without the prior written consent of National Securities Corporation, not to sell, transfer or pledge, or offer to do any of the same, directly or indirectly, any of our securities for a period 180 days following the close of this offering.

The underwriter may consent to an early release from the lock-up period if, in its opinion, the market for the common stock would not be adversely impacted by sales and in cases of a financial emergency of an officer, director or other stockholder. We are unaware of any security holder who intends to ask for consent to dispose of any of our equity securities during the relevant lock-up periods.

Indemnification

We have agreed to indemnify the underwriter against certain liabilities, including liabilities under the Securities Act relating to losses or claims resulting from material misstatements in or omissions from this prospectus, the registration statement of which this prospectus is a part, certain free writing prospectuses that may be used in the offering and in any marketing materials used in connection with this offering and to contribute to payments the underwriter may be required to make in respect of those liabilities.

Short Positions and Penalty Bids

The underwriter may engage in over-allotment, syndicate covering transactions, and penalty bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, in accordance with Regulation M under the Exchange Act.

- Over-allotment involves sales by the underwriter of shares in excess of the number of shares the underwriter is obligated to purchase, which creates a syndicate short position. The short position may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by an underwriter is not greater than the number of shares that it may purchase in the over-allotment option. In a naked short position, the number of shares involved is greater than the number of shares in the over-allotment option. The underwriter may close out any short position by either exercising its over-allotment option and/or purchasing shares in the open market.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriter will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which it may purchase shares through the over-allotment option. If an underwriter sells more shares than could be covered by the over-allotment option, a naked short position, the position can only be closed out by buying shares in the open market. A naked short position is more likely to be created if an underwriter is concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

- Penalty bids permit an underwriter to reclaim a selling concession from a syndicate member when the shares originally sold by the syndicate member are purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of the common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the Nasdaq Capital Market, and if commenced, they may be discontinued at any time.

Neither we nor the underwriter make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common stock. In addition, neither we nor the underwriter make any representation that the underwriter will engage in these transactions or that any transaction, once commenced, will not be discontinued without notice.

Electronic Distribution

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by the underwriter, or by its affiliates. In those cases, prospective investors may view offering terms online and, depending upon the underwriter, prospective investors may be allowed to place orders online. The underwriter may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the underwriter on the same basis as other allocations.

Other than the prospectus in electronic format, the information on the underwriter's website and any information contained in any other website maintained by the underwriter is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or the underwriter in its capacity as underwriter and should not be relied upon by investors.

The underwriter's compensation in connection with this offering is limited to the fees and expenses described above under "Underwriting Discount and Expenses."

LEGAL MATTERS

The validity of the shares offered hereby will be passed upon for us by K&L Gates LLP, Charlotte, North Carolina. Greenberg Traurig, LLP, Irvine, California, has acted as counsel for the underwriter in connection with certain legal matters related to this offering.

EXPERTS

The financial statements of Movano Inc. as of December 31, 2020 and 2019, for the years then ended, included in this prospectus have been audited by Moss Adams, LLP, an independent registered public accounting firm, as set forth in their report included herein. Such financial statements have been so included in reliance upon the report of such firm (which report expresses an unqualified opinion and includes an explanatory paragraph regarding a going concern uncertainty) given upon their authority as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-1, including exhibits, under the Securities Act that registers the shares of our common stock to be sold in this offering. This prospectus does not contain all the information contained in the registration statement and the exhibits filed as part of the registration statement. For further information with respect to us and our common stock, we refer you to the registration statement and the exhibits filed as part of the registration statement. Statements contained in this prospectus as to the contents of any contract or other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, we refer you to the copies of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit.

Upon the consummation of this offering, we will file annual, quarterly and current reports, proxy statements and other information with the SEC under the Exchange Act. You can read our SEC filings, including the registration statement, at the SEC's website at www.sec.gov.

The representations, warranties and covenants made by us in any agreement that is filed as an exhibit to the registration statement of which this prospectus is a part were made solely for the benefit of the parties to such agreement, including, in some cases, for the purpose of allocating risk among the parties to such agreements, and should not be deemed to be a representation, warranty or covenant to you. Moreover, such representations, warranties or covenants were made as of an earlier date. Accordingly, such representations, warranties and covenants should not be relied on as accurately representing the current state of our affairs.

This prospectus includes statistical and other industry and market data that we obtained from industry publications and research, surveys and studies conducted by third parties. Industry publications and third-party research, surveys and studies generally indicate that they have gathered their information from sources they believe to be reliable, although they do not guarantee the accuracy or completeness of such information. While we believe that these industry publications and third-party research, surveys and studies are reliable, we have not independently verified such data.

Movano Inc.

Financial Statements

as of December 31, 2020 and 2019 and for the Years ended
December 31, 2020 and 2019

and Report of Independent Registered Public Accounting Firm

Movano Inc.

INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors
Movano Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Movano Inc. ("the Company") as of December 31, 2020 and 2019, the related statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' deficit, and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Going Concern Uncertainty

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2 to the financial statements, the Company has incurred recurring losses from operations and has a net capital deficiency that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 2. The financial statements do not include any adjustments that may result from the outcome of this uncertainty.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures to respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Moss Adams LLP

San Francisco, California
March 10, 2021

We have served as the Company's auditor since 2019.

Movano Inc.
BALANCE SHEETS
(in thousands, except share and per share data)

	December 31,		Pro Forma Convertible Preferred Stock and Stockholders' Deficit as of December 31,
	2020	2019	2020
			(unaudited)
ASSETS			
Current assets:			
Cash and cash equivalents	$ 5,710	$ 4,291	
Payroll tax credit, current portion	500	111	
Prepaid expenses and other current assets	691	111	
Total current assets	6,901	4,513	
Property and equipment, net	38	51	
Payroll tax credit, noncurrent portion	134	304	
Other assets	10	19	
Total assets	$ 7,083	$ 4,887	
LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK, AND STOCKHOLDERS' DEFICIT			
Current liabilities:			
Accounts payable	$ 246	$ 15	
Paycheck Protection Program loan, current portion	248	—	
Other current liabilities	666	843	
Total current liabilities	1,160	858	
Noncurrent liabilities:			
Convertible promissory notes, net	11,342	—	
Accrued interest	292	—	
Paycheck Protection Program loan, noncurrent portion	103	—	
Warrant liability	1,549	32	
Derivative liability	121	—	
Early exercised stock option liability	417	—	
Other noncurrent liabilities	161	—	
Total noncurrent liabilities	13,985	32	
Total liabilities	15,145	890	
Commitments and contingencies (Note 12)			
Series A redeemable convertible preferred stock, $0.0001 par value, 2,692,253 shares authorized; 2,692,253 shares issued and outstanding at December 31, 2020 and 2019; liquidation preference of $15,170 and $14,749 at December 31, 2020 and 2019, no shares issued and outstanding pro forma	13,856	11,212	—
Series B redeemable convertible preferred stock, $0.0001 par value, 5,238,095 shares authorized; 4,942,319 shares issued and outstanding at December 31, 2020 and 2019; liquidation preference of $21,858 and $21,233 at December 31, 2020 and 2019, no shares issued and outstanding pro forma	18,962	12,692	—
Stockholders' deficit:			
Common stock, $0.0001 par value, 22,069,652 shares authorized; 6,393,069 and 4,539,584 shares issued and outstanding at December 31, 2020 and 2019, 22,349,412 shares issued and outstanding pro forma	1	—	[●]
Additional paid-in capital	—	—	[●]
Accumulated deficit	(40,881)	(19,907)	(40,881)
Total stockholders' deficit	(40,880)	(19,907)	[●]
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 7,083	$ 4,887	[●]

See accompanying notes to financial statements.

Movano Inc.
STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share data)

	Year Ended December 31,	
	2020	**2019**
OPERATING EXPENSES:		
Research and development	$ 8,373	$ 6,515
General and administrative	2,734	1,997
Total operating expenses	11,107	8,512
Loss from operations	(11,107)	(8,512)
Other income (expense), net:		
Interest expense	(1,004)	—
Change in fair value of warrant liability	(1,511)	13
Change in fair value of derivative liability	564	—
Interest and other income, net	27	59
Other income (expense), net	(1,924)	72
Net loss and comprehensive loss	(13,031)	(8,440)
Accretion and dividends on redeemable convertible preferred stock	(8,914)	(6,041)
Net loss attributable to common stockholders	$ (21,945)	$ (14,481)
Net loss per share attributable to common stockholders, basic and diluted	$ (6.85)	$ (9.18)
Weighted average shares used in computing net loss per share attributable to common stockholders, basic and diluted	3,201,430	1,577,714
Pro forma net loss per share attributable to common stockholders, basic and diluted	[●]	
Weighted average shares used in computing pro forma net loss per share attributable to common stockholders, basic and diluted	[●]	

See accompanying notes to financial statements.

Movano Inc.
STATEMENTS OF REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT
(in thousands, except share data)

	Redeemable Convertible Preferred Stock								
	Series A		Series B		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2018	2,692,253	$ 8,596	—	$ —	4,040,000	$ —	$ —	$ (5,582)	$ (5,582)
Issuance of common stock upon exercise of warrants	—	—	—	—	499,584	—	6	—	6
Issuance of Series B redeemable convertible preferred stock, net of issuance costs of $1,113	—	—	4,942,319	9,267	—	—	—	—	—
Issuance of equity classified warrants to lead investors	—	—	—	—	—	—	60	—	60
Stock-based compensation	—	—	—	—	—	—	90	—	90
Accretion of Series A and Series B redeemable convertible preferred stock	—	2,616	—	3,425	—	—	(6,041)	—	(6,041)
Reclassification of negative additional paid-in capital to accumulated deficit	—	—	—	—	—	—	5,885	(5,885)	—
Net loss	—	—	—	—	—	—	—	(8,440)	(8,440)
Balance at December 31, 2019	2,692,253	$ 11,212	4,942,319	$ 12,692	4,539,584	$ —	$ —	$ (19,907)	$ (19,907)

	Redeemable Convertible Preferred Stock								
	Series A		Series B		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount	Shares	Amount			
Balance at December 31, 2019	2,692,253	$ 11,212	4,942,319	$ 12,692	4,539,584	$ —	$ —	$ (19,907)	$ (19,907)
Stock-based compensation for stock grant	—	—	—	—	140,000	—	267	—	267
Stock-based compensation	—	—	—	—	—	—	446	—	446
Accretion of Series A and Series B redeemable convertible preferred stock	—	2,644	—	6,270	—	—	(8,914)	—	(8,914)
Issuance of common stock upon exercise of warrants	—	—	—	—	295,985	—	—	—	—
Issuance of common stock upon exercise of options	—	—	—	—	1,417,500	1	258	—	259
Reclassification of negative additional paid-in capital to accumulated deficit	—	—	—	—	—	—	7,943	(7,943)	—
Net loss	—	—	—	—	—	—	—	(13,031)	(13,031)
Balance at December 31, 2020	2,692,253	$ 13,856	4,942,319	$ 18,962	6,393,069	$ 1	$ —	$ (40,881)	$ (40,880)

See accompanying notes to financial statements.

Movano Inc.
STATEMENTS OF CASH FLOWS
(in thousands)

	Year Ended December 31,	
	2020	**2019**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (13,031)	$ (8,440)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	13	11
Stock-based compensation for stock grant	267	—
Stock-based compensation	446	90
Accretion of debt discount on convertible promissory notes	728	—
Accrued interest on convertible promissory notes	292	—
Non-employee services under convertible promissory notes	397	—
Change in fair value of derivative liability	(564)	—
Change in fair value of warrant liability	1,511	(13)
Changes in operating assets and liabilities:		
Payroll tax credit	(384)	(85)
Prepaid expenses and other current assets	(580)	(111)
Other assets	174	168
Accounts payable	231	8
Other current and noncurrent liabilities	(166)	480
Net cash used in operating activities	(10,666)	(8,228)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	—	(13)
Net cash used in investing activities	—	(13)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of convertible promissory notes	11,753	—
Payment of issuance costs	(695)	—
Proceeds from April 2020 Paycheck Protection Program loan	351	—
Repayment of April 2020 Paycheck Protection Program loan	(351)	—
Proceeds from May 2020 Paycheck Protection Program loan	351	—
Issuance of common stock	676	6
Issuance of Series B redeemable convertible preferred stock - net of issuance costs	—	9,351
Net cash provided by financing activities	12,085	9,357
Net increase in cash and cash equivalents	1,419	1,116
Cash and cash equivalents at beginning of period	4,291	3,175
Cash and cash equivalents at end of period	$ 5,710	$ 4,291
NONCASH INVESTING AND FINANCING ACTIVITIES:		
Accretion of Series A redeemable convertible preferred stock	$ 2,644	$ 2,616
Accretion of Series B redeemable convertible preferred stock	$ 6,270	$ 3,425
Issuance of convertible promissory notes upon completion of non-employee services	$ 247	—
Issuance of common stock warrants in connection with Series B redeemable convertible preferred stock	$ —	$ 84
Issuance of warrants in connection with convertible promissory notes	$ 6	$ —

See accompanying notes to financial statements.

NOTE 1 – BUSINESS ORGANIZATION, NATURE OF OPERATIONS

Movano Inc. (the "Company" or "Movano" or "Our") was incorporated in Delaware on January 30, 2018 as Maestro Sensors Inc. and changed its name to Movano Inc. on August 3, 2018. The Company is in the development-stage and is a health-focused technology company creating simple, smart and personalized wearables designed to help individuals on their health journey optimize for good health today and prevent and manage chronic diseases in the future. The Company's wearables are being developed to provide vital health information, including glucose and blood pressure data, in a variety of form factors to meet individual style needs and give users actionable feedback in order to improve the quality of their life.

Since inception, the Company has engaged in only limited research and development of product candidates and underlying technology. As of December 31, 2020, the Company had not yet completed the development of its product and had not yet recorded any revenues. In March and June 2019, the Company sold in a private placement 4,942,319 shares of Series B redeemable convertible preferred stock ("Series B preferred stock") and raised approximately $9.3 million in net proceeds (See Note 8). From February 2020 to December 2020, the Company issued subordinated convertible promissory notes of approximately $11.1 million in net proceeds (See Note 7). Additionally in May 2020, the Company received a Paycheck Protection Program loan for $0.4 million (See Note 6.)

In December 2019, a novel coronavirus and the resulting disease ("COVID-19") was reported, and in January 2020, the World Health Organization ("WHO") declared it a Public Health Emergency of International Concern. In February 2020, the WHO raised its assessment of the COVID-19 threat from high to very high at a global level due to the continued increase in the number of cases and affected countries, and in March 2020, the WHO characterized COVID-19 as a pandemic. The Company is continuing to ascertain the long-term impact of the COVID-19 pandemic on Our business, but given the uncertainty about the situation, the Company cannot estimate the impact to our financial statements from the economic crisis arising from COVID-19.

NOTE 2 – GOING CONCERN AND MANAGEMENT PLANS

These financial statements have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business.

The Company has incurred losses from operations and has generated negative cash flows from operating activities since inception. The Company expects to continue to incur net losses for the foreseeable future as it continues the development of its technology. Based upon the Company's current expectations and projections for the next year, the Company believes that it will not have sufficient liquidity necessary to sustain operations through the twelve months from the date of issuance of these financial statements if the Company is unable to raise additional funding. The Company is currently pursuing additional funding through equity financing; however, no assurance can be given that the Company will be successful in raising the required capital at reasonable cost and at the required times, or at all. These factors, among others, raise substantial doubt that the Company will be able to continue as a going concern.

The financial statements do not include any adjustments to reflect the possible effects on the recoverability and classification of recorded assets and liabilities that may be necessary in the event the Company cannot continue as a going concern.

NOTE 3 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Company has prepared the accompanying financial statements in accordance with accounting principles generally accepted in the United States ("U.S. GAAP").

Reclassification

Certain reclassifications have been made to prior periods' financial statements to conform to the current period presentation. These reclassifications did not result in any change in previously reported net loss, total assets or stockholders' deficit.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of expenses during the reporting periods.

Significant estimates and assumptions reflected in these financial statements include, but are not limited to, the accrual of research and development expenses, the valuation of common stock, stock options and warrants, the valuation of the embedded redemption derivative liability and income tax expense. Estimates are periodically reviewed in light of changes in circumstances, facts, and experience. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates or assumptions.

Unaudited Pro Forma Financial Information

Immediately prior to the completion of an initial public offering ("IPO") of the Company's common stock, all outstanding shares of the Series A and B redeemable convertible preferred stock will convert into shares of common stock. Additionally, the outstanding principal balance of convertible promissory notes and the related accrued interest will automatically convert into shares of common stock immediately prior to an IPO (see Note 7). Pro forma basic and diluted net loss per share attributable to common stockholders has been computed to give effect to the conversion of all outstanding shares of the Series A and B redeemable convertible preferred stock and the conversion of the convertible promissory notes and related accrued interest. The unaudited pro forma net loss per share attributable to common stockholders for the year ended December 31, 2020 has been computed using the weighted-average number of shares of common stock outstanding, including the pro forma effect of the conversion of all outstanding shares of the Series A and B redeemable convertible preferred stock and the conversion of the convertible promissory notes and related accrued interest as if such conversion had occurred at the beginning of the period or their issuance dates, if later. The unaudited pro forma net loss per common share does not include the shares of common stock expected to be sold in, and related proceeds to be received from, the IPO.

Segment Information

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company views its operations and manages its business in one segment. The Company's chief operating decision maker is the chief executive officer.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Concentrations of Credit Risk and Off-Balance Sheet Risk

Cash and cash equivalents are financial instruments that are potentially subject to concentrations of credit risk. All cash and cash equivalents are held in United States financial institutions. Cash equivalents consist of interest-bearing money market accounts. The amounts deposited in the money market accounts exceeds federally insured limits. The Company has not experienced any losses related to this account and believes the associated credit risk to be minimal due to the financial condition of the depository institutions in which those deposits are held.

The Company has no financial instruments with off-balance sheet risk of loss.

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets is comprised of prepaid expenses, other current receivables, and deferred offering costs, which consist of legal, accounting, filing and other fees related to the IPO that have been capitalized. The deferred offering costs will be offset against proceeds from the IPO upon the effectiveness of the IPO. In the event the IPO is terminated, all capitalized deferred offering costs would be expensed. As of December 31, 2020 and 2019, $497,000 and $0, respectively, of deferred offering costs were capitalized.

Property and Equipment

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation of property and equipment is calculated using the straight-line method over the estimated useful lives of the related asset. Computer software and hardware, office equipment and furniture, and test equipment are depreciated over five years. Maintenance and repairs that do not extend the life of or improve an asset are expensed in the period incurred. Upon disposition, the cost and related accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in the statements of operations and comprehensive loss.

Research and Development Expense

Research and development expenses consist primarily of external and internal costs incurred for the design and configuration of the Company's product. All research and development costs are expensed as incurred.

Software Development Costs

Costs related to software development are included in research and development expense until the point that technological feasibility is reached, which, for Our product, will be shortly before the product is released to manufacturing. Once technological feasibility is reached, such costs are capitalized and amortized to cost of revenue over the estimated lives of the product. During the years ended December 31, 2020 and 2019, no development costs were capitalized.

Impairment of Long-Lived Assets

The Company reviews for the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. An impairment loss would be recognized when estimated future cash flows expected to result from the use of the asset and its eventual disposition is less than its carrying amount.

Paycheck Protection Program Loan

The Company accounts for funds received from the Paycheck Protection Program as a financial liability with interest accrued and expensed over the term of the loan under the effective interest method. The loan will remain recorded as a liability until the Company has been legally released from the liability or the Company repays the liability. Any amount that is ultimately forgiven by the lender would be recognized in the statement of operations and comprehensive loss as a gain extinguishment.

Convertible Financial Instruments

The Company bifurcates embedded redemption and conversion options from their host instruments and accounts for them as freestanding derivative financial instruments at fair value, if certain criteria are met. The criteria include circumstances in which (a) the economic characteristics and risks of the embedded derivative instrument are not clearly and closely related to the economic characteristics and risks of the host contract, (b) the hybrid instrument that embodies both the embedded derivative instrument and the host contract is not re-measured at fair value under otherwise applicable generally accepted accounting principles with changes in fair value reported in earnings as they occur and (c) a separate instrument with the same terms as the embedded derivative instrument would be considered a derivative instrument. Debt discounts under these arrangements are amortized to interest expense using the interest method over the earlier of the term of the related debt or their earliest date of redemption.

From time to time, the Company issues convertible financial instruments to nonemployees in payment for services that are provided. Until the services are completely rendered, the Company will expense the principal and any interest earned prior to the service completion to the representative expense account for the services performed and will record a noncurrent liability for the expected amount of the principal balance. Upon completion of the services, the Company will reclassify the noncurrent liability balance to the balance of an outstanding convertible financial instrument and assess the embedded redemption and conversion options that are applicable at that time.

Redeemable Convertible Preferred Stock

The Company records all shares of redeemable convertible preferred stock at their respective issuance price less issuance costs on the dates of issuance. Under certain circumstances the Company will be required to redeem the Series A and Series B redeemable convertible preferred stock unless an IPO has been consummated prior to April 1, 2021, or an extension or waiver is obtained upon approval of a majority of the holders of such preferred stock. As the preferred stock becomes redeemable due to the passage of time, the Company considers the preferred stock to be redeemable as of April 1, 2021. The Company records the accretion of the Series A and B preferred stock balances to their respective redemption amounts using the effective interest method. The redeemable convertible preferred stock is presented outside of stockholders' deficit on the balance sheets.

Income Taxes

The Company accounts for income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are determined based on differences between the financial statement and tax basis of assets and liabilities and net operating loss and credit carryforwards using enacted tax rates in effect for the year in which the differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax assets to the amounts expected to be realized. As the Company maintained a full valuation allowance against its deferred tax assets, the changes resulted in no provision or benefit from income taxes during the years ended December 31, 2020 and 2019.

The Company accounts for unrecognized tax benefits using a more-likely-than-not threshold for financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. The Company establishes a liability for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. The Company records an income tax liability, if any, for the difference between the benefit recognized and measured and the tax position taken or expected to be taken on the Company's tax returns. To the extent that the assessment of such tax positions changes, the change in estimate is recorded in the period in which the determination is made. The liability is adjusted considering changing facts and circumstances, such as the outcome of a tax audit. The provision for income taxes includes the impact of liability provisions and changes to the liability that are considered appropriate. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs.

Stock-Based Compensation

The Company measures equity classified stock-based awards granted to employees, directors, and nonemployees based on the estimated fair value on the date of grant and recognizes compensation expense of those awards on a straight-line basis over the requisite service period, which is generally the vesting period of the respective award. The fair value of each stock option grant is estimated on the date of grant using the Black-Scholes option pricing model. This valuation model for stock-based compensation expense requires the Company to make assumptions and judgments about the variables used in the calculation including the expected term, the volatility of the Company's common stock, and an assumed risk-free interest rate. The Company accounts for forfeitures as they occur.

Early Exercised Stock Option Liability

Upon the early exercise of stock options by employees, the Company records as a liability the purchase price of unvested common stock that the Company has a right to repurchase if and when the employment of the stockholder terminates before the end of the requisite service period. The proceeds originally recorded as a liability are reclassified to additional paid-in capital as the Company's repurchase right lapses.

Fair Value Measurements

The Company accounts for certain of its financial assets and liabilities at fair value. The Company uses a three-level hierarchy, which prioritizes, within the measurement of fair value, the use of market-based information over entity-specific information for fair value measurements based on the nature of inputs used in the valuation of an asset or liability as of the measurement date. Fair value focuses on an exit price and is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs or methodology used for valuing financial instruments are not necessarily an indication of the risk associated with investing in those financial instruments.

A three-tier fair value hierarchy is used to prioritize the inputs in measuring fair value as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.
Level 2 – Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable, either directly or indirectly.
Level 3 – Significant unobservable inputs that cannot be corroborated by market data.

The following tables provide a summary of the assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2020 and 2019 (in thousands).

	December 31, 2020			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Assets – money market funds	$ 5,181	$ 5,181	$ —	$ —
Warrant liability	$ 1,549	$ —	$ —	$ 1,549
Derivative liability	$ 121	$ —	$ —	$ 121

	December 31, 2019			
	Fair Value	**Level 1**	**Level 2**	**Level 3**
Assets – money market funds	$ 4,101	$ 4,101	$ —	$ —
Warrant liability	$ 32	$ —	$ —	$ 32

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Changes in fair value measurements categorized within Level 3 of the fair value hierarchy are analyzed each period based on changes in estimates or assumptions and recorded as appropriate. At December 31, 2020 and 2019, the warrants related to the Series A preferred stock issuance, the Series B preferred stock issuance, and the convertible promissory notes and the derivative liability related to the issuance of convertible promissory notes are classified within level 3 of the valuation hierarchy.

The Company measured the fair value of the derivative liability by estimating the fair value of the convertible promissory notes at certain conversion points. The Company's derivative liability is classified within Level 3 of the fair value hierarchy because certain unobservable inputs were used in the valuation models.

The carrying amounts of cash and cash equivalents, prepaid expenses, payroll tax credit, accounts payable and accrued liabilities approximate fair value due to the short-term nature of these instruments.

Based upon interest rates currently available to the Company for debt with similar terms, the carrying values of the Company's convertible promissory notes and Paycheck Protection Program Loan are approximately equal to their fair values.

Net Loss per Share Attributable to Common Stockholders

Basic net loss per share attributable to common stockholders is calculated by dividing the net loss attributable to common stockholders by the weighted average number of shares of common stock outstanding during the period, without consideration for common stock equivalents. The net loss attributable to common stockholders is calculated by adjusting the net loss of the Company for the accretion on the Series A and B redeemable convertible preferred stock and cumulative dividends on Series A and B redeemable convertible preferred stock. Diluted net loss per share attributable to common stockholders is the same as basic net loss per share attributable to common stockholders, since the effects of potentially dilutive securities are antidilutive.

Recently Issued Accounting Pronouncements

In August 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40) – Accounting for Convertible Instruments and Contracts in an Entity's Own Equity. The amendments in this update reduce the number of accounting models for convertible debt instruments and convertible preferred stock, resulting in fewer embedded conversion features being recognized separately from their host contracts. The pronouncement also revises the derivatives scope exception for contracts in an entity's own equity and improves the consistency of earnings per share calculations as that relates to convertible instruments. The pronouncement is effective for the Company as of January 1, 2022, and the Company will continue to evaluate the impact of the guidance on the financial statements and related disclosures.

In December 2019, the FASB issued Accounting Standards Update 2019-12, *Income Taxes (Topic 740*). The amendments in this update provide further simplification of accounting standards for the accounting for income taxes. Certain exceptions for requirements regarding the accounting for franchise taxes, tax basis of goodwill, and tax law rate changes are made. The Company plans to adopt this guidance as of January 1, 2021 and does not believe this guidance will have a significant impact on the financial statements and related disclosures.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, which requires the early recognition of credit losses on financing receivables and other financial assets in scope. ASU 2016-13 requires the use of a transition model that will result in the earlier recognition of allowances for losses. The Company plans to adopt this guidance as of January 1, 2021 and does not believe this guidance will have a significant impact on the financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*, as amended, which requires all entities that lease assets under leases with terms of more than 12 months to capitalize the assets and related lease liabilities on the balance sheet. ASU 2016-02 requires the use of a modified retrospective transition approach for its adoption, with the option of applying the provisions at the beginning of the earliest comparative period presented in the financial statements or at the beginning of the period of adoption. The pronouncement is effective for the Company as of January 1, 2022, and the Company will continue to evaluate the impact of the guidance on the financial statements and related disclosures. Currently, the Company does not believe this guidance will have a significant impact on the financial statements and related disclosures because the Company does not have any leases which are for a term greater than one year.

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 720*) *– Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*. The amendments in this update provide simplification and revision of accounting standards for the disclosures related to fair value measurement. Certain disclosure requirements were removed by this pronouncement. Modifications to existing disclosure requirements include: (1) clarifying that the measurement uncertainty disclosure is to communicate information about the uncertainty in measurement as of the reporting date and (2) requiring disclosure about the timing of liquidation of an investee's assets for those entities that calculate net asset value only if the investee has communicated the timing or announced it publicly. Additional disclosures that were added include: (1) changes in unrealized gains and losses for recurring Level 3 fair value investments held at the end of the reporting period and (2) the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The Company adopted this pronouncement effective January 1, 2020 and this guidance did not have a significant impact on the financial statements and related disclosures.

In July 2017, the FASB issued ASU 2017-11, *Earnings Per Share, Distinguishing Liabilities from Equity, Derivatives and Hedging - (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception*, which simplifies the accounting for financial instruments with down round features amongst other changes. The Company adopted this pronouncement effective January 1, 2020 and this guidance did not have a significant impact on the financial statements and related disclosures.

NOTE 4 – PROPERTY AND EQUIPMENT

Property and equipment, net, as of December 31, 2020 and 2019, consisted of the following (in thousands):

	December 31,	
	2020	2019
Office equipment and furniture	$ 43	$ 43
Test equipment	22	22
Total property and equipment	65	65
Less: accumulated depreciation	(27)	(14)
Total property and equipment, net	$ 38	$ 51

Total depreciation expense related to property and equipment was approximately $13,000 and $11,000 for the years ended December 31, 2020 and 2019, respectively.

NOTE 5 – OTHER CURRENT LIABILITIES

Other current liabilities as of December 31, 2020 and 2019 consisted of the following (in thousands):

	December 31,	
	2020	2019
Accrued research and development	$ 197	$ 365
Accrued compensation	184	79
Accrued vacation	192	150
Accrued legal expense	41	129
Accrued accounting and consulting expense	40	112
Accrued other	12	8
Total other current liabilities	$ 666	$ 843

NOTE 6 – PAYCHECK PROTECTION PROGRAM LOAN

The Paycheck Protection Program ("PPP") was established under the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") and is administered by the U.S. Small Business Administration ("SBA"). On April 23, 2020, the Company entered into a promissory note with Silicon Valley Bank evidencing an unsecured loan in the aggregate amount of approximately $351,000 under the PPP (the "PPP Loan"). The interest rate on the PPP Loan was 1.00% and the term was two years, with a deferral of payments for ten months from the date of origination. On May 7, 2020, the Company elected to repay the PPP loan in full until further guidance was provided by the SBA on the loan origination and eligibility requirements. On May 27, 2020, the Company entered into a promissory note with Silicon Valley Bank evidencing an unsecured loan in the aggregate amount of approximately $351,000, with all other terms the same as the prior loan. Beginning eleven months from the date of the PPP Loan, the Company is required to make monthly payments of principal and interest. The promissory note evidencing the PPP Loan contains customary events of default relating to, among other things, payment defaults or breaching the terms of the PPP Loan documents. The occurrence of an event of default may result in the repayment of all amounts outstanding, collection of all amounts owing from the Company, or filing suit and obtaining judgment against the Company. The PPP Loan may be repaid at any time by the Company without prepayment penalties.

Funds from the PPP Loan may only be used for payroll costs, costs used to continue group health care benefits, mortgage payments, rent, utilities, and interest on other debt obligations, if those debt obligations are incurred before February 15, 2020. The Company intends to use the entire PPP Loan amount for qualifying expenses.

Under the terms of the CARES Act, PPP loan recipients can apply for and be granted forgiveness for all or a portion of the loan granted under the PPP. Such forgiveness will be determined, subject to limitations, based on the use of loan proceeds for qualifying expenses. No assurance is provided that the Company will obtain forgiveness of the PPP Loan in whole or in part.

As of December 31, 2020, future minimum payments under the PPP loan are as follows: $248,000 in 2021; and $103,000 in 2022.

NOTE 7 – CONVERTIBLE PROMISSORY NOTES

On various dates between February 2020 and December 2020, the Company received total proceeds of approximately $11.8 million from the issuance of subordinated convertible promissory notes ("Convertible Notes") to investors. The Convertible Notes accrue interest at 4% per year and the principal balance of the Convertible Notes, plus all accrued interest is due on February 28, 2022 (the Maturity Date).

The Convertible Notes are convertible upon the occurrence of certain events, including upon a change in control or a next equity financing. The conversion features are described as follows:

Conversion Event	Description	Conversion Price
Automatic Conversion – Next Qualified Equity Financing	Upon the closing of a Next Qualified Equity Financing (defined as greater than $5,000,000), the Convertible Notes are converted into shares issued equal to the outstanding balance divided by the Conversion Price	An amount equal to the lower of (i) 80% of the lowest per-share selling price of such stock sold by the Company at the Next Qualified Equity Financing or (ii) the implied per share price determined by dividing $60,000,000 by the total number of Common Stock Equivalents (defined as fully diluted common shares for all outstanding securities, excluding common shares reserved for issuance or exercise of options or grants in the future) immediately prior to Next Financing Closing
Automatic Conversion – Change of Control (defined as consolidation or merger of the Company or transfer of a majority of share ownership or disposition of substantially all assets of the Company)	If at any time before payment or conversion of the balance, the Company effects a Change of Control, all of the balance outstanding immediately prior to such Change of Control will automatically convert into the most senior series of Preferred Stock outstanding immediately prior to such Change of Control at the Conversion Price.	An amount equal to the implied per share price determined by dividing $60,000,000 by the total number of Common Stock Equivalents immediately prior to such Change of Control.
Automatic Conversion – Maturity Date	If the Company has not paid or otherwise converted the entire balance before the Maturity Date, then on the Maturity Date, all of the balance then outstanding will automatically convert into the most senior series of Preferred Stock outstanding as of the Maturity Date at the Conversion Price then in effect.	An amount equal to the implied per share price determined by dividing $60,000,000 by the total number of Common Stock Equivalents as of the Maturity Date.
Automatic Conversion – IPO	If at any time before payment or conversion of the balance, the Company consummates an IPO, all of the balance outstanding immediately prior to the IPO will automatically convert into Common Stock at the Conversion Price.	An amount equal to the lower of (i) 80% of the lowest per-share selling price of the common stock sold by the Company in an IPO or (ii) the implied per share price determined by dividing $60,000,000 by the total number of Common Stock Equivalents immediately prior to closing of an IPO.
Optional Conversion	If at any time while the Convertible Notes are still outstanding the Company sells stock in a single transaction or in a series of related transactions that does not constitute a Next Qualified Equity Financing (and thus is defined as a Non-qualified Financing), then, at the closing of the Nonqualified Financing, the balance then outstanding may be converted, at the option of the holder, into that number of shares of Non-qualified Preferred Stock (preferred stock sold in the Non-qualified Financing) determined by dividing (i) the balance by (ii) the Conversion Price then in effect.	An amount equal to the lowest per share selling price of Nonqualified Preferred Stock sold by the Company for new cash investment in the Non-Qualified Financing.

Convertible Notes totaling approximately $247,000 were issued to nonemployees in exchange for services and are included in the outstanding balance of convertible promissory notes at December 31, 2020. The Company has committed to issue additional Convertible Notes up to $500,000 to nonemployees in exchange for future services. As of December 31, 2020, those future services have not been fully completed. A portion of those services that have been completed are recorded as other noncurrent liabilities of $150,000 on the accompanying balance sheet as other noncurrent liabilities. The Company will continue to track the balance of the remaining services of $350,000 and will record the services as operating expenses as the services are provided and increase the balance of other noncurrent liabilities. When the services are fully completed, the Company will record the Convertible Notes as issued and reclassify the balance of other noncurrent liabilities.

In connection with the Convertible Notes, the Company issued 10,000 and 204,500 warrants to purchase common stock, to a noteholder and its brokers, respectively (see Note 10 – Common Stock Warrants for fair value computation). The warrants have a five-year life and are exercisable into common stock at $2.97 per share.

Issuance costs and commissions to brokers to obtain the Convertible Notes were recorded as a debt discount in the amount of approximately $83,000 and $612,000, respectively.

The Company determined that the terms that would result in Convertible Notes automatically converting at (i) 80% of the lowest per-share selling price of the stock sold by the Company in the Next Qualified Equity Financing or (ii) 80% of the lowest per-share selling price of the Conversion Stock sold by the Company in an IPO are deemed a redemption feature. The Company also concluded that those redemption features require bifurcation from the Convertible Notes and subsequent accounting in the same manner as a freestanding derivative. Accordingly, subsequent changes in the fair value of these redemption features is measured at each reporting period and recognized in the statement of operations and comprehensive loss.

The sum of the fair value of the warrants, the fair value of the embedded redemption derivative liability, issuance costs and commission payments for the Convertible Notes were recorded as debt discounts to be amortized to interest expense over the respective term using the effective interest method. During the year ended December 31, 2020, the Company recognized interest expense of approximately $0.7 million from the accretion of the debt discounts. As of December 31, 2020, the unamortized remaining debt discount is $0.7 million.

Derivative Liability

As described above, the redemption provisions embedded in the Convertible Notes required bifurcation and measurement at fair value as a derivative. The fair value of the Convertible Note embedded redemption derivative liability was calculated by determining the value of the debt component of the Convertible Notes at various conversion or maturity dates using a Probability Weighted Expected Return valuation method. The fair value calculation placed greater probability on the occurrence of the conversion or the maturity date scenario, with little or no weight given to other scenarios. The fair value of the embedded redemption derivative liability is significantly influenced by the discount rate, the remaining term to maturity and the Company's assumptions related to the probability of a qualified financing or no financing prior to maturity. The Financing Date is the estimated date of an automatic conversion as the result of a Next Qualified Equity Financing or an IPO.

The Company estimated the fair value of the embedded redemption derivative liability using the following weighed average assumptions on the various closing dates between February 2020 and December 2020:

	Financing Date	Maturity Date
Probability of Conversion at Financing	80%	20%
Expected Term	March 2021	February 2022
Conversion Ratio	1.25	N/A
Discount Rate	1.68% to 11.67%	N/A

The changes in the fair value of the derivative liability for the year ended December 31, 2020 were as follows:

	December 31, 2019	Fair Value at issuance date	Change in fair value	December 31, 2020
Derivative liability	$ —	685	(564)	$ 121

NOTE 8 – REDEEMABLE CONVERTIBLE PREFERRED STOCK

On March 28, 2019, the Company's board of directors (the "Board") approved the Second Amended and Restated Certificate of Incorporation which (i) increased the number of shares of common stock the Company is authorized to issue to 22,069,652; (ii) increased the number of shares of preferred stock the Company is authorized to issue to 7,930,348, of which 2,692,253 shares were designated as Series A preferred stock and 5,238,095 shares were designated as Series B preferred stock; (iii) amended and set a fixed conversion price of Series A preferred stock to $1.40; and (iv) extended the IPO Commitment Date from April 1, 2020 to no later than March 31, 2021.

The Company assessed the accounting treatment of the amendment of the Certificate of Incorporation related to the Series A preferred stock and determined that the amendment is a modification for accounting purposes. After considering the nature of the changes as a result of the amendment, the Company determined the modification of the Series A preferred stock did not have a significant impact on the financial statements.

On various dates from March 2019 through August 2019, the Company issued 4,942,319 shares of Series B preferred stock at $2.10 per share for net cash proceeds of $9.3 million. The Series B preferred stock has a liquidation preference of an amount equal to the greater of (i) two times the original issue price of $2.10 per share (adjusted for stock splits, stock dividends, stock combination, recapitalizations and certain similar events) plus any declared and unpaid dividends thereon or (ii) the amount per share that would have been received by the holders had the Series B preferred stock been converted into common stock immediately prior to such liquidation, dissolution or winding-up plus any declared and unpaid dividends thereon, pari passu with the Series A preferred stock and in preference to any distributions to the holders of common stock.

The Series B preferred stock was measured and recorded at the transaction price net of issuance costs, resulting in an initial value of $9.3 million. The accretion to the carrying value of the Series B preferred stock was recorded as a charge to additional paid in capital. The accumulated accretion as of December 31, 2020 was $9.7 million, which resulted in an adjusted Series B preferred stock carrying value of $19.0 million.

The accretion to the carrying value of the Series A preferred stock was recorded as a charge to additional paid in capital. The accumulated accretion as of December 31, 2020 was $7.5 million, which resulted in an adjusted Series A preferred stock carrying value of $13.9 million.

As of December 31, 2020 and 2019, the Company had the following shares of redeemable convertible preferred stock outstanding (in thousands, except for the share and per share amounts):

At December 31, 2020:

Class	Original Issue Price per Share	Shares Authorized	Shares Issued and Outstanding	Net Carrying Value	Liquidation Preference	Redemption Value
A	$ 2.60	2,692,253	2,692,253	$ 13,856	$ 15,170	$ 15,274
B	$ 2.10	5,238,095	4,942,319	$ 18,962	$ 21,858	$ 22,011

At December 31, 2019:

Class	Original Issue Price per Share	Shares Authorized	Shares Issued and Outstanding	Net Carrying Value	Liquidation Preference	Redemption Value
A	$ 2.60	2,692,253	2,692,253	$ 11,212	$ 14,749	$ 15,274
B	$ 2.10	5,238,095	4,942,319	$ 12,692	$ 21,233	$ 22,011

The significant rights and preferences of the outstanding redeemable convertible preferred stock are as follows:

Dividends – The holders of Series B and Series A preferred stock ("Holders") are entitled to receive, on a pari passu basis, out of funds legally available therefor, prior and in preference to any declaration or payment of any dividend on the Company's common stock, cumulative dividends on the preferred stock at the rate of 6% per annum of the original issue price (adjusted for stock splits, stock dividends, stock combination, or other similar transactions), except in the event of default, in which case dividends shall accrue at 12% per annum. Such dividends shall be deemed to accrue from the issuance date whether or not earned or declared and whether or not there are profits, surplus or other funds of the Company legally available for the payment of dividends. Dividends shall be calculated on the basis of a 365-day year, and be payable when, as and if declared by the Board.

As of December 31, 2020, cumulative, unpaid dividends were approximately $1,100,000 and $1,170,000 on the Series B and Series A preferred stock, respectively. Since inception to date, no dividends have been declared or paid.

Redemption – Under certain circumstances the Company will be required to redeem the Series B and Series A preferred stock (collectively, the "preferred stock"), unless an IPO has been consummated prior to April 1, 2021 ("IPO Commitment Date"), or an extension or waiver is obtained upon approval of a majority of the holders of preferred stock ("Required Holders"), whereby each outstanding share of preferred stock shall be redeemed by the Company at a price of two times the original issue price (adjusted for stock splits, stock dividends, stock combination, or other similar transactions), plus all accrued but unpaid dividends ("Redemption Price"), in cash. Further, upon an event of default and while the event of default is continuing, the Required Holders may elect to cause the Company to redeem the preferred stock through distribution of the Company's assets and property equal in value to the Redemption Price.

As the preferred stock becomes redeemable due to the passage of time, the Company considers the preferred stock to be redeemable as of April 1, 2021. Therefore, in April 2019 and April 2018, the Company began recording the accretion of the Series B and Series A preferred stock balances, respectively, to their respective Redemption Prices using the effective interest method and will continue recording the accretion up to the IPO Commitment Date.

Liquidation Preference – In the event of any liquidation, dissolution, or winding up of the Company, either voluntary or involuntary (a "Liquidation Event"), the Holders shall be entitled to a liquidation preference of an amount equal to the greater of (i) two times the original issue price per share (adjusted for stock splits, stock dividends, stock combination, recapitalizations and certain similar events) plus any accrued and unpaid dividends thereon or (ii) the amount per share of common stock that would have been received had the preferred stock been converted into common stock immediately prior to such liquidation, dissolution or winding-up, plus any accrued and unpaid dividends. If, upon any such Liquidation Event, the assets of the Company shall be insufficient to make payment in full to all holders of the preferred stock, then the assets shall be distributed ratably among the holders of the preferred stock in proportion to the full amounts to which they would otherwise be respectively entitled.

Voting Rights – The holders of preferred stock are entitled to vote on an as-converted basis with the common stock, assuming conversion of the Series B and Series A preferred stock at $2.10 and $1.40 (as adjusted for stock splits, stock dividends, stock combination, recapitalizations and certain similar events), respectively.

Conversion – Upon consummation of an IPO or upon consummation of a subsequent placement or offering of equity or equity linked securities of the Company approved by the Holders, each share of preferred stock shall automatically convert, through no further action on the part of the Company or the Holders, into that number of shares of common stock equal to the quotient of (i) the original issue price (adjusted for stock splits, stock dividends, stock combination, or other similar transactions) plus all accrued and unpaid dividends divided by (ii) the conversion price. The conversion prices for Series B and Series A preferred stock shall be $2.10 and $1.40, respectively, as adjusted for stock splits, stock dividends, stock combinations, recapitalizations, or the like that occur after the original issuance date.

Further, at any time after the issuance date and until ten calendar days prior to the consummation of the IPO, each Holder shall be entitled to convert its preferred stock into that number of shares of common stock equal to the quotient of (i) the original issue price (adjusted for stock splits, stock dividends, stock combination, or other similar transactions) plus all accrued and unpaid dividends divided by (ii) the conversion price. The conversion price for the purpose of this optional conversion for Series B and Series A preferred shares shall be equal to $2.10 and $1.40, respectively, as adjusted for stock splits, stock dividends, stock combinations, recapitalizations, or the like that occur after the issuance date.

Protective Provisions – The affirmative vote of the Required Holders will be necessary to (1) authorize shares, increase the authorized number of shares, or issue any additional shares of preferred stock or any shares of capital stock of the Company having any right, preference or priority ranking senior to or pari passu with preferred stock; (2) authorize, adopt or approve any amendment to the Certificate of Incorporation or the Bylaws that would increase or decrease the par value of the shares of the preferred stock, alter or change the powers, preferences or rights of the shares of preferred stock, or alter or change the powers, preferences or rights of any other capital stock of the Company if after such alteration or change such capital stock would be senior to or pari passu with preferred stock; (3) amend, alter or repeal the Certificate of Incorporation or the Bylaws so as to affect the shares of preferred stock adversely, including in connection with a merger, recapitalization, reorganization or otherwise; (4) authorize or issue any security convertible into or exchangeable for shares of capital stock of the Company having any right, preference or priority ranking senior to or pari passu with preferred stock; (5) organize a subsidiary of the Company; or (6) pay any dividend on any junior securities or make any payment on account of the purchase, redemption, or other retirement of any junior securities (or any instruments convertible into any junior securities), and shall not permit any corporation or other entity directly or indirectly controlled by the Company to purchase or redeem any junior securities or any such warrants, rights, calls or options.

NOTE 9 – COMMON STOCK

As of December 31, 2020, the Company was authorized to issue 22,069,652 shares of common stock with a par value of $0.0001 per share, and 6,393,069 shares were issued and outstanding.

In 2018, 400,000 shares were issued to the Company's founder at inception pursuant to a Restricted Stock Purchase Agreement. The Restricted Stock Purchase Agreement stipulates that in the event of the voluntary or involuntary termination of the Company's founder's continuous service status for any reason (including death or disability), with or without cause, the Company or its assignees(s) shall have an option ("Repurchase Option") to repurchase all or any portion of the shares held by the Purchaser as of the termination date which have not yet been released from the Company's Repurchase Option at the original purchase price of $0.0125 per share. Shares are to be released from the Repurchase Option over four years. The initial 12/48ths of the shares were released on January 30, 2019, and an additional 1/48th of the shares are being released monthly thereafter. As of December 31, 2020, 108,333 of the shares issued to the Company's founder remain subject to the Repurchase Option. These shares were originally purchased by the Company's founder at $0.0125 per share.

In 2018, 3,640,000 shares were also issued pursuant to a Restricted Stock Purchase Agreement. The holders of these shares are considered related parties of the Company because the holders are directly related either to the founder or to the legal counsel of the Company. The same terms described above apply to these issuances. As of December 31, 2020, 985,834 of the shares issued to these holders remain subject to the Repurchase Option. These shares were originally purchased by the holders at $0.0125 per share.

During the year ended December 31, 2020, 890,356 shares were issued upon the early exercise of common stock options. The Exercise Notice (Early Exercise) Agreement states that the Company has the option to repurchase all or a portion of the unvested shares in the event of the separation of the holder from service to the Company. The shares continue to vest in accordance with the original vesting schedules of the former option agreements. As of December 31, 2020, the Company has recorded a repurchase liability of $417,000 for 856,814 shares that remain unvested. The weighted average remaining vesting period is approximately 3 years. There were no early exercises during the year ended December 31, 2019.

Common stock reserved for future issuance as of December 31, 2020 and 2019 is summarized as follows:

	December 31,	
	2020	**2019**
Conversion of redeemable convertible preferred stock	11,299,425	10,701,244
Warrants to purchase common stock	871,167	960,118
Stock options outstanding	3,188,011	3,027,200
Stock options available for future grants	1,254,489	972,800
Conversion of convertible promissory notes	4,656,918	—
Total	21,270,010	15,661,362

NOTE 10 – COMMON STOCK WARRANTS

Consulting Warrants

On February 8, 2018, the Company entered into a consulting agreement with Liquid Patent Advisors, LLC ("LPV") pursuant to which LPV agreed to provide business strategy and intellectual property advisory services. In connection with the consulting agreement, the Company issued warrants ("Consulting Warrants") to purchase 303,000 shares of its common stock to four individuals at LPV. The Consulting Warrants have a term of five years and an exercise price of $0.0125 per share. In October 2020, all of the consulting warrants were net exercised, resulting in the issuance of 295,985 shares of common stock. No consulting warrants remain outstanding as of December 31, 2020.

Preferred A Placement Warrants

On February 22, 2018, the Company entered into an agreement with National Securities Corporation ("NSC"), pursuant to which the Company engaged NSC as the Company's exclusive financial advisor and placement agent in connection with an offering or series of offerings of Company securities. Specifically, NSC was the placement agent in connection with the sale of its Series A preferred stock.

In connection with the closing of Series A preferred stock offering, the Company issued warrants ("Preferred A Placement Warrants") to purchase a total of 133,648 shares of its common stock to NSC on March 14, 2018 and April 23, 2018. On June 1, 2018, the Preferred A Placement Warrants were reassigned among NSC and three individuals at LPV. The Preferred A Placement Warrants have a term of five years and the exercise price is equal to the conversion price of Series A preferred stock upon its conversion. The number of common stock shares issuable pursuant to the warrants shall be equal to 10% of the aggregate number of common stock shares issued by the Company upon conversion of 1,336,485 shares of Series A preferred stock (as adjusted for stock splits, stock dividends, stock combination, recapitalizations and certain similar events).

The Second Amended and Restated Certificate of Incorporation that was approved on March 28, 2019 amended and fixed the conversion price of the Series A preferred stock at $1.40. As a result, on August 28, 2019, the Company elected to amend and reissue the Preferred A Placement Warrants, thereby reducing the exercise price to $1.40 and increasing the number of warrant shares by 109,200 to a total of 242,848 warrant shares. As of December 31, 2020, the Preferred A Placement Warrants were exercisable into 242,848 shares of the Company's common stock with an exercise price of $1.40 per share.

Preferred A Lead Investor Warrants

On February 8, 2018, the Company entered into a letter agreement with several investors ("Series A Lead Investor"), pursuant to which the Company issued warrants ("Preferred A Lead Investor Warrants") to purchase 336,612 shares of its common stock to the Series A Lead Investor in connection with the issuance of Series A preferred stock. The Preferred A Lead Investor Warrants were issued on March 14, 2018 and have a term of five years and an exercise price of $0.0125 per share. Under the letter agreement, the Series A Lead Investor was granted (1) a right of first refusal to purchase up to 100 percent of the securities sold in any offering of securities other than one that is led by an investor that is purchasing securities primarily for strategic, rather than financial, reasons; (2) the right to receive a warrant to purchase a number of shares of common stock equal to ten percent of the number of shares of common stock issued or issuable (in the case of convertible securities) pursuant to securities purchased by the Series A Lead Investor pursuant to the foregoing clause (1); and (3) a pre-emptive right (subject to customary pro rata underwriter cutbacks) to purchase a percentage of common stock sold in the Company's IPO equal to the Series A Lead Investor's percentage ownership of the Company's common stock (assuming conversion of all convertible securities) as of immediately prior to such IPO and certain additional preemptive and other rights. All such rights will terminate upon the Company's consummation of an IPO.

On June 28, 2019, the Company elected to amend and reissue the Preferred A Lead Investor Warrants, thereby increasing the number of warrant shares by 139,172 to a total of 475,784 warrant shares. The remaining term and the exercise price of the warrants are the same as the original warrants.

Concurrent with this reissuance, the holders of the Preferred A Lead Investor Warrants exercised their warrants at an exercise price of $0.0125 per share. The number of shares issued from this exercise was 475,784 shares.

Preferred B Placement Warrants

On April 16, 2019, in connection with the Series B preferred stock offering, the Company issued warrants ("Preferred B Placement Warrants") to purchase 414,270 shares of its common stock to NSC, Newbridge Securities Corporation, and five individuals at LPV. The Preferred B Placement Warrants have a term of five years and their exercise price is equal to $2.10, the conversion price of Series B preferred stock. The number of common stock shares issuable pursuant to the warrants shall be equal to 10% of the aggregate number of common stock shares issued by the Company upon conversion of 4,142,270 shares of Series B preferred stock (as adjusted for stock splits, stock dividends, stock combination, recapitalizations and certain similar events). As of December 31, 2020, the Preferred B Placement Warrants were exercisable into 414,270 shares of the Company's common stock with an exercise price of $2.10 per share.

Preferred B Lead Investor Warrants

On March 28, 2019, in connection with the Series B preferred stock offering, the Company issued warrants ("Preferred B Lead Investor Warrants") to purchase 23,800 shares of its common stock to several investors. The Preferred B Lead Investor Warrants have a term of 4.8 years and an exercise price of $0.0125 per share.

In June 2019, the holders of the Preferred B Lead Investor Warrants exercised their warrants at an exercise price of $0.0125 per share. The number of shares issued from this exercise was 23,800 shares.

The following is a summary of the Company's warrant activity for the year ended December 31, 2020:

Warrant Issuance	Issuance	Exercise Price	Outstanding, December 31, 2019	Granted	Exercised	Canceled/ Expired	Outstanding, December 31, 2020	Expiration
Consulting Warrants	February 2018	$ 0.0125	303,000	—	(295,985)	(7,015)	—	February 2023
Preferred A Placement Warrants	March 2018 and August 2019	$ 1.40	192,784	—	—	—	192,784	March 2023
Preferred A Placement Warrants	April 2018 and August 2019	$ 1.40	50,063	—	—	—	50,063	April 2023
Preferred B Placement Warrants	April 2019	$ 2.10	414,270	—	—	—	414,270	April 2024
Convertible Notes Placement Warrants	August 2020	$ 2.97	—	214,050	—	—	214,050	August 2025
			960,117	214,050	(295,985)	(7,015)	871,167	

The following is a summary of the Company's warrant activity for the year ended December 31, 2019:

Warrant Issuance	Issuance	Exercise Price	Outstanding, December 31, 2018	Granted	Exercised	Canceled/ Expired	Outstanding, December 31, 2019	Expiration
Consulting Warrants	February 2018	$ 0.0125	303,000	—	—	—	303,000	February 2023
Preferred A Placement Warrants	March 2018 and August 2019	$ 1.40	106,690	86,094	—	—	192,784	March 2023
Preferred A Placement Warrants	April 2018 and August 2019	$ 1.40	26,957	23,106	—	—	50,063	April 2023
Preferred A Lead Investor Warrants	March 2018	$ 0.0125	336,612	—	(336,612)	—	—	March 2023
Preferred A Lead Investor Warrants	June 2019	$ 0.0125	—	139,172	(139,172)	—	—	March 2023
Preferred B Placement Warrants	April 2019	$ 2.10	—	414,270	—	—	414,270	April 2024
Preferred B Lead Investor Warrants	June 2019	$ 0.0125	—	23,800	(23,800)	—	—	March 2024
			773,259	686,442	(499,584)	—	960,117	

Warrants Classified as Liabilities

Preferred A Placement Warrants

The Preferred A Placement Warrants were initially classified as a derivative liability because their variable exercise price terms did not qualify these as being indexed to the Company's own common stock and will be measured at fair value on a recurring basis. The fair value of the Preferred A Placement Warrants is approximately $25,000 at issuance and is recorded as an issuance cost of the Series A preferred stock.

On March 28, 2019, the Company amended its Articles of Incorporation which removed the variable exercise price terms of the Preferred A Placement Warrants. However, the number of warrant shares that are convertible remains variable based on the total number of preferred shares that are ultimately converted to common shares and thus these warrants would not qualify it as being indexed to the Company's own common stock, and will continue to be measured at fair value on a recurring basis.

On August 28, 2019, the Company elected to amend and reissue the Preferred A Placement Warrants thereby reducing the exercise price to $1.40 and increasing the number of warrant shares by 109,200 to a total of 242,847 warrant shares. The fair value of the incremental 109,200 warrants was not significant.

Preferred B Placement Warrants

The Preferred B Placement Warrants are classified as a derivative liability because the number of warrant shares that are convertible is variable based on the total number of shares of preferred stock that are ultimately converted to common stock and thus these do not qualify it as being indexed to the Company's own common stock, and will be measured at fair value on a recurring basis. The fair value of the Preferred B Placement Warrants is $24,000 at issuance and is recorded as an issuance cost of the Series B preferred stock.

Convertible Notes Placement Warrants

The initial exercise price of the Convertible Notes Placement Warrants is $2.97. However, when the Convertible Notes are converted as described in Note 7, the exercise price of the warrants will be adjusted to equal the Conversion Price. The Convertible Notes Placement Warrants are classified as a derivative liability because the exercise price is variable. These warrants do not qualify as being indexed to the Company's own common stock and will be measured at fair value on a recurring basis. The fair value of the Convertible Notes Placement Warrants is $6,200 at issuance and is recorded as a debt discount.

A summary of the fair values at the issuance dates of the warrants classified as liabilities is as follows (amounts in thousands):

			Black-Scholes Fair Value Assumptions			
Warrant Issuance	**Issuance Date**	**Fair Value**	**Dividend Yield**	**Expected Volatility**	**Risk-Free Interest Rate**	**Expected Life**
Preferred A Placement Warrants - amended and reissued	August 2019	$ —	—%	63.04%	1.41%	3.6 years
Preferred B Placement Warrants - initial issuance	April 2019	$ 24	—%	63.28%	2.40%	5.0 years
Convertible Notes Placement Warrants	August 2020	$ 6	—%	47.65%	0.31%	5.0 years

The estimated fair value of outstanding warrants accounted for as liabilities is determined at each balance sheet date. Any decrease or increase in the estimated fair value of the warrant liability since the most recent balance sheet date is recorded in the statements of operations and comprehensive loss as a change in fair value of warrant liability. The fair values of the outstanding warrants accounted for as liabilities at December 31, 2020 and 2019 are calculated using the Black-Scholes option pricing model with the following assumptions:

	Black-Scholes Fair Value Assumptions - December 31, 2020			
Warrant Issuance	Dividend Yield	Expected Volatility	Risk-Free Interest Rate	Expected Life
Preferred A Placement Warrants	—%	67.75%	0.13%	2.2 years
Preferred B Placement Warrants	—%	55.76%	0.17%	3.3 years
Convertible Note Placement Warrants	—%	52.93%	0.36%	4.7 years

	Black-Scholes Fair Value Assumptions - December 31, 2019			
Warrant Issuance	Dividend Yield	Expected Volatility	Risk-Free Interest Rate	Expected Life
Preferred A Placement Warrants	—%	62.86%	1.63%	3.2 years
Preferred B Placement Warrants	—%	62.66%	1.67%	4.3 years

The changes in fair value of the warrant liability for the years ended December 31, 2020 and 2019 were as follows (in thousands):

Warrant Issuance	Warrant liability, December 31, 2019	Fair value of warrants granted	Fair value of warrants exercised	Change in fair value of warrants	Warrant liability, December 31, 2020
Preferred A Placement Warrants	$ 12	$ —	$ —	$ 506	$ 518
Preferred B Placement Warrants	20	—	—	688	708
Convertible Notes Placement Warrants	—	6	—	317	323
	$ 32	$ 6	$ —	$ 1,511	$ 1,549

Warrant Issuance	Warrant liability, December 31, 2018	Fair value of warrants granted	Fair value of warrants exercised	Change in fair value of warrants	Warrant liability, December 31, 2019
Preferred A Placement Warrants	$ 21	$ —	$ —	$ (9)	$ 12
Preferred B Placement Warrants	—	27	—	(7)	20
	$ 21	$ 27	$ —	$ (16)	$ 32

Warrants Classified as Equity

Certain warrants are classified as equity instruments since they do not meet the characteristics of a liability or a derivative, and are recorded at fair value on the date of issuance using the Black-Scholes option pricing model with the following assumptions. The fair value as determined at the issuance date is recorded as an issuance cost of the respective series of preferred stock. Those warrants and the assumptions used to calculate the fair value at issuance are presented below:

			Black-Scholes Fair Value Assumptions			
Warrant Issuance	Issuance Date	Fair Value	Dividend Yield	Expected Volatility	Risk-Free Interest Rate	Expected Life
Preferred A Lead Investor Warrants	June 2019	$ 51	—%	63.55%	1.73%	3.7 years
Preferred B Lead Investor Warrants	April 2019	$ 9	—%	63.75%	1.75%	4.8 years

NOTE 11 – STOCK-BASED COMPENSATION

Adoption of 2018 Equity Incentive Plan

Effective as of March 13, 2018, the Company adopted the 2018 Equity Incentive Plan ("2018 EIP") administered by the Board. The 2018 EIP provides for the issuance of incentive stock options, non-statutory stock options, and restricted stock awards, for the purchase of up to a total of 1,710,165 shares of the Company's common stock to employees, directors, and consultants. The Board or a committee of the Board has the authority to determine the amount, type and terms of each award. The options granted under the 2018 EIP generally have a contractual term of ten years and a vesting term of four years with a one-year cliff. The exercise price for options granted under the 2018 EIP must generally be at least equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board. The incentive stock options granted under the 2018 EIP to 10% or greater stockholders must have an exercise price at least equal to 110% of the fair value of the Company's common stock at the date of grant, as determined by the Board, and have a contractual term of five years.

On March 28, 2019, the Board approved the Second Amendment to the 2018 Equity Incentive Plan (the "2018 EIP") which provided for an increase in the aggregate number of shares of common stock that may be issued pursuant to the 2018 EIP from 960,000 to 1,710,165.

Effective as of November 18, 2019, the Company adopted the 2019 Omnibus Incentive Plan ("2019 Plan") administered by the Board. The 2019 Plan provides for the issuance of incentive stock options, non-statutory stock options, and restricted stock awards, for the purchase of up to a total of 4,000,000 shares of the Company's common stock to employees, directors, and consultants and replaces the 2018 EIP. The Board or a committee of the Board has the authority to determine the amount, type and terms of each award. The options granted under the 2019 Plan generally have a contractual term of ten years and a vesting term of four years with a one-year cliff. The exercise price for options granted under the 2019 Plan must generally be at least equal to 100% of the fair value of the Company's common stock at the date of grant, as determined by the Board. The incentive stock options granted under the 2019 Plan to 10% or greater stockholders must have an exercise price at least equal to 110% of the fair value of the Company's common stock at the date of grant, as determined by the Board, and have a contractual term of ten years.

On September 30, 2020, the Board approved an increase in the aggregate number of shares of common stock that may be issued pursuant to the 2019 Plan from 4,000,000 to 4,500,000.

On December 7, 2020, the Board approved an increase in the aggregate number of shares of common stock that may be issued pursuant to the 2019 Plan from 4,500,000 to 6,000,000.

As of December 31, 2020, the Company had 1,254,489 shares available for future grant under the 2019 Plan.

Stock Options

Stock option activity for the years ended December 31, 2020 and 2019 was as follows (in thousands, except share, per share, and remaining life data):

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Life	Intrinsic Value
Outstanding at December 31, 2018	270,000	$ 0.68	9.9 years	$ —
Granted	2,757,200	$ 0.38		
Outstanding at December 31, 2019	3,027,200	$ 0.41	9.6 years	$ —
Granted	1,732,478	$ 0.92		
Exercised	(1,417,500)	$ 0.48		
Cancelled	(154,167)	$ 0.38		
Outstanding at December 31, 2020	3,188,011	$ 0.66	9.0 years	$ 8,155
Exercisable as of December 31, 2020	1,629,549	$ 0.43	8.8 years	$ 4,607
Vested and expected to vest as of December 31, 2020	3,051,811	$ 0.67	8.97 years	$ 7,907

The weighted-average grant date fair value of options granted during the years ended December 31, 2020 and 2019 was $1.78 and $0.19 per share, respectively. During the years ended December 31, 2020 and 2019, 1,417,500 and no options were exercised, respectively. The fair value of the 1,079,120 and 281,365 options that vested during the years ended December 31, 2020 and 2019 was approximately $405,000 and $107,000, respectively.

The Company estimated the fair value of stock options using the Black-Scholes option pricing model. The fair value of the stock options were estimated using the following weighted average assumptions for the years ended December 31, 2020 and 2019:

	Year Ended December 31,	
	2020	**2019**
Dividend yield	—%	—%
Expected volatility	68.23%	53.64%
Risk-free interest rate	0.50%	1.61%
Expected life	5.89 years	5.88 years

Dividend Rate—The expected dividend rate was assumed to be zero, as the Company had not previously paid dividends on common stock and has no current plans to do so.

Expected Volatility—The expected volatility was derived from the historical stock volatilities of several public companies within the Company's industry that the Company considers to be comparable to the business over a period equivalent to the expected term of the stock option grants.

Risk-Free Interest Rate—The risk-free interest rate is based on the interest yield in effect at the date of grant for zero coupon U.S. Treasury notes with maturities approximately equal to the option's expected term.

Expected Term—The expected term represents the period that the Company's stock options are expected to be outstanding. The expected term of option grants that are considered to be "plain vanilla" are determined using the simplified method. The simplified method deems the term to be the average of the time-to-vesting and the contractual life of the options. For other option grants not considered to be "plain vanilla," the Company determined the expected term to be the contractual life of the options.

Forfeiture Rate—The Company made the one-time policy election to recognize forfeitures when they occur.

The Company has recorded stock-based compensation expense for the years ended December 31, 2020 and 2019 related to the issuance of stock option awards to employees and non-employees in the statement of operations and comprehensive loss as follows:

	Year Ended December 31,	
	2020	**2019**
Research and development	$ 86	$ 42
General and administrative	627	48
	$ 713	$ 90

As of December 31, 2020, unamortized compensation expense related to unvested stock options was approximately $3.1 million, which is expected to be recognized over a weighted average period of 3.0 years.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Operating Leases

The Company has entered into the following operating lease agreements (amounts in thousands).:

Operating Lease	Purpose of agreement	Commencement Date	Expiration Date	Monthly Payment	Rent Expense For the year ended December 31, 2020	2019
Facility lease - Pleasanton, California	Office space	December 2018	November 2019	$ 7	$ -	$ 80
Facility lease - Pleasanton, California	Office space	September 2019	September 2020	$ 5	41	15
Facility lease - Dublin, California	Office space	October 2019	September 2021	$ 5	58	12
					$ 99	$ 107

The term of the Pleasanton, California agreement expired in September 2020. The future minimum lease payments on the Dublin, California agreement during 2021 are approximately $41,400.

Litigation

From time to time, the Company may become involved in various litigation and administrative proceedings relating to claims arising from its operations in the normal course of business. Management is not currently aware of any matters that may have a material adverse impact on the Company's business, financial position, results of operations or cash flows.

Indemnification

The Company enters into standard indemnification agreements in the ordinary course of business. Pursuant to these arrangements, the Company indemnifies, holds harmless and agrees to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third party with respect to its technology. The term of these indemnification agreements is generally perpetual after the execution of the agreement. The maximum potential amount of future payments the Company could be required to make under these agreements is not determinable because it involves claims that may be made against the Company in the future, but have not yet been made. The Company has not incurred costs to defend lawsuits or settle claims related to these indemnification agreements.

The Company has entered into indemnification agreements with its directors and officers that may require the Company to indemnify its directors and officers against liabilities that may arise by reason of their status or service as directors or officers, other than liabilities arising from willful misconduct of the individual.

No amounts associated with such indemnifications have been recorded as of December 31, 2020 and 2019.

NOTE 13 – INCOME TAXES

The Company has incurred net operating losses only in the United States since its inception.

The effective tax rate of the Company's provision (benefit) for income taxes differs from the federal rate as follows:

	Year Ended December 31,	
	2020	**2019**
US federal provision (benefit)		
At Statutory rate	21%	21%
Valuation allowance	(17%)	-
Changes in fair value of warrants and derivative liability and interest expense for convertible promissory notes	(3%)	-
Other	(1%)	(21%)
Effective tax rate	-	-

The Company did not record any income tax expense or benefit as the Company incurred losses in all periods presented.

Significant components of the Company's deferred tax assets and liabilities as of December 31, 2020 and 2019 are as follows (in thousands):

	December 31,	
	2020	**2019**
Gross deferred tax assets:		
Net operating loss carryforwards	$ 4,523	$ 2,414
Research and development credit carryforwards	367	199
Stock-based compensation	74	10
Other	27	41
Total gross deferred tax assets	4,991	2,664
Less valuation allowance	(4,988)	(2,662)
Total net deferred tax assets	3	2
Deferred tax liabilities:		
Property and equipment	(3)	(2)
Total deferred tax liabilities	(3)	(2)
Net deferred tax assets	$ -	$ -

During 2020 and 2019, the Company has maintained a valuation allowance against the net deferred tax assets due to the uncertainty surrounding the realization of those assets. The Company periodically evaluates the recoverability of the deferred tax assets and, when it is determined to be more-likely-than-not that the deferred tax assets are realizable, the valuation allowance is reduced. The valuation allowance increased by approximately $2,326,000 and $1,856,000 during the years ended December 31, 2020 and 2019, respectively.

As of December 31, 2020 and 2019, the Company has federal net operating loss carryforwards of approximately $21.5 million and $11.5 million, respectively, all of which do not expire. The net operating loss carryforwards may be available to offset future taxable income for income tax purposes.

As of December 31, 2020 and 2019, the Company has federal research and development ("R&D") credit carryforwards of approximately $238,000 and $132,000, respectively. The federal R&D credits begin to expire in 2039.

As of December 31, 2020 and 2019, the Company has California R&D credit carryforwards of approximately $418,000 and $274,000, respectively. The California R&D credits do not expire.

The Internal Revenue Code imposes limitations on a corporation's ability to utilize net operating loss ("NOL") and credit carryovers if it experiences an ownership change as defined in Section 382. In general terms, an ownership change may result from transactions increasing the ownership of certain stockholders in the stock of a corporation by more than 50% over a three-year period. If an ownership change has occurred, or were to occur, utilization of the Company's NOLs and credit carryovers could be restricted.

The Company accounts for uncertainty in income taxes pursuant to the relevant authoritative guidance. The guidance clarified the recognition of tax positions taken, or expected to be taken, on a tax return. The impact of an uncertain income tax position on the income tax return must be recognized at the largest amount that is more likely than not to be sustained upon audit by the relevant taxing authority. An uncertain tax position will not be recognized if it has a less than 50% likelihood of being sustained. No liability related to uncertain tax positions is recorded in the financial statements.

Total gross unrecognized tax benefit liabilities as of December 31, 2020 and 2019 were approximately $289,000 and $164,000, respectively, related to Federal and California R&D credits. As of December 31, 2020 and 2019, the Company had no unrecognized tax benefits, which, if recognized would affect the Company's effective tax rate due to the full valuation allowance. The Company's policy is to classify interest and penalties related to unrecognized tax benefits as part of the income tax provision in the statements of operations and comprehensive loss. The Company had no accrued interest and penalties related to unrecognized tax benefits as of December 31, 2020.

The following is a rollforward of the total gross unrecognized tax benefits for the years ended December 31, 2020 and 2019 (in thousands):

	Year Ended December 31,	
	2020	**2019**
Beginning Balance	$ 164	$ 32
Gross Increases - Tax Position in Current Period	125	132
Ending Balance	$ 289	$ 164

All tax years remain subject to examination by the U.S. federal and state taxing authorities due to the Company's net operating losses and R&D credit carry carryforwards.

NOTE 14 – NET LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

The following table sets for the computation of the basic and diluted net loss per share attributable to common stockholders during the years ended December 31, 2020 and 2019 is as follows (in thousands, except share and per share data):

	Year Ended December 31,	
	2020	2019
Numerator:		
Net loss and comprehensive loss	$ (13,031)	$ (8,440)
Accretion and dividends on redeemable convertible preferred stock	(8,914)	(6,041)
Net loss attributable to common stockholders	$ (21,945)	$ (14,481)
Denominator:		
Weighted-average common shares outstanding	3,201,430	1,577,714
Net loss per share attributable to common stockholders, basic and diluted	$ (6.85)	$ (9.18)

The potential shares of common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the years ended December 31, 2020 and 2019 because including them would have been antidilutive are as follows:

	Year Ended December 31,	
	2020	2019
Shares of redeemable convertible preferred stock	11,299,425	10,701,244
Non-vested shares under restricted stock grants	1,094,167	2,104,167
Shares related to convertible promissory notes	4,656,918	—
Shares subject to options to purchase common stock	3,137,811	2,977,000
Shares subject to warrants to purchase common stock	871,167	960,118
Total	21,059,488	16,742,529

For the years ended December 31, 2020 and 2019, performance based option awards for 50,200 shares of common stock are not included in in the table above or considered in the calculation of diluted earnings per share until the performance conditions of the option award are considered probable by the Company.

Additionally, until March 28, 2019, when the Board approved the Second Amended and Restated Certificate of Incorporation, Series A preferred stock converted into a variable number of shares of common stock.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 10, 2021, which is the date the financial statements were available to be issued.

Between January 1, 2021 and March 5, 2021, employees and directors of the Company exercised a total of 75,208 options for common stock resulting in proceeds to the Company of approximately $40,000.

In February 2021, the Company approved the following:

- an amendment and restatement of the 2019 Plan which, effective upon completion of the IPO, will increase the amount of shares of common stock reserved for issuance thereunder to 7,400,000;
- the Third Amended and Restated Certificate of Incorporation which, effective upon completion of the IPO, will provide for the authorization of 75,000,000 shares of $0.0001 par value common stock and 5,000,000 shares of $.0001 par value of preferred stock;
- a total of 1,415,000 option awards for common stock to be issued to employees of the Company at a weighted average exercise price of $3.26 per share and vesting terms of approximately four years, and
- a total of 52,500 warrants for common stock to be issued to advisors to the Company at a weighted average exercise price of $0.0125 per share.

In February 2021, holders of warrants that were originally issued in August 2020 to purchase 42,220 shares of common stock agreed to cancel the warrants for no consideration.

MOVANO INC.

Shares of Common Stock

PROSPECTUS

Sole Book-Running Manager

National Securities Corporation

Until , 2021, all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The following table sets forth the costs and expenses, other than the underwriting discount, payable by us in connection with the sale and distribution of the securities being registered. All amounts are estimated except the SEC registration fee, the FINRA filing fee and the initial listing fee for Nasdaq.

SEC Filing Fee	$ 5,059
FINRA Fee	7,455
Underwriters' Legal Fees and Expenses	175,000
Nasdaq Fee	80,000
Printing Expenses	35,000
Accounting Fees and Expenses	500,000
Legal Fees and Expenses	325,000
Transfer Agent and Registrar Expenses	10,000
Miscellaneous	37,486
Total	$ 1,175,000

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The following summary is qualified in its entirety by reference to the complete text of any statutes referred to below and the Third Amended and Restated Certificate of Incorporation of Movano Inc., a Delaware corporation.

Section 145 of the General Corporation Law of the State of Delaware (the "DGCL") permits a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful.

In the case of an action by or in the right of the corporation to procure a judgment in its favor, Section 145 of the DGCL permits a Delaware corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by reason of the fact that the person is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the Court of Chancery or such other court shall deem proper.

Section 145 of the DGCL also permits a Delaware corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the corporation would have the power to indemnify such person against such liability under Section 145 of the DGCL.

Article NINTH of our Third Amended and Restated Certificate of Incorporation states that our directors shall not be personally liable to us or to our stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability. Under Section 102(b)(7) of the DGCL, the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty can be limited or eliminated except (i) for any breach of the director's duty of loyalty to the corporation or its stockholders; (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (iii) under Section 174 of the DGCL (relating to unlawful payment of dividend or unlawful stock purchase or redemption); or (iv) for any transaction from which the director derived an improper personal benefit.

Article EIGHTH of our Third Amended and Restated Certificate of Incorporation and Section 6.1 of our Amended and Restated Bylaws provide that we shall indemnify (and advance expenses to) our officers and directors to the full extent permitted by the DGCL.

Effective upon the closing of this offering, we will have directors' and officers' liability insurance insuring our directors and officers against liability for acts or omissions in their capacities as directors or officers, subject to certain exclusions. Such insurance also insures us against losses which we may incur in indemnifying our officers and directors.

As permitted by the DGCL, we have entered into indemnification agreements with each of our directors and executive officers that require us to indemnify such persons against various actions including, but not limited to, third-party actions where such director or executive officer, by reason of his or her corporate status, is, or is threatened to be made, a party to or participant in any threatened, pending or completed action, or by reason of anything done or not done by such director in any such capacity. We are obligated to indemnify directors and executive officers against all costs, fees, judgments, fines, and amounts paid in settlement actually and reasonably incurred by such directors or executive officers in connection with such action, if such directors or executive officers acted in good faith and in a manner they reasonably believed to be in or not opposed to our best interests, and with respect to any criminal proceeding, had no reasonable cause to believe their conduct was unlawful. We also must advance to our directors and executive officers expenses (including attorney's fees) incurred by or on behalf of such directors and executive officers no later than 30 days after our receipt of a statement or statements from directors or executive officers requesting such payments from time to time. Pursuant to the indemnification agreements, the directors or executive officers undertake to repay and advance to the extent it is ultimately determined that they are not entitled to be indemnified by us.

Prior to the closing of this offering, we plan to enter into an underwriting agreement, which will provide that the underwriter is obligated, under some circumstances, to indemnify our directors, officers and controlling persons against specified liabilities.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

During the past three years, we issued the following securities without registration under the Securities Act of 1933, as amended (the "Securities Act").

Stock, Warrants and Convertible Notes

On January 30, 2018, we sold a total of 4,040,000 shares of common stock to Leabman Holdings LLC, MS Investments LLC, Silverdata Holdings LLC and the founder of our Company for an aggregate offering price of $50,500.

On February 8, 2018, we issued certain individuals warrants to purchase an aggregate of 303,000 shares of our common stock as consideration for consulting services. The warrants had a term of five years and an exercise price of $0.0125 per share.

In March and April 2018, we sold an aggregate of 2,692,253 shares of our Series A Redeemable Convertible Preferred Stock to 32 accredited investors at an aggregate offering price of $6,999,876.

On March 14, 2018, in connection with the consummation of the placement of our Series A Redeemable Convertible Preferred Stock on that date, we issued to NSC a warrant to purchase 106,691 shares of our common stock as consideration for its service as placement agent. NSC later assigned approximately nine-tenths of the warrant (a total of 96,023 shares) among three accredited investors. The warrant had a term of five years and an exercise price of $2.60 per share, which was subsequently amended to $1.40 per share. Upon consummation of the offering and the automatic conversion of the Series A Redeemable Convertible Preferred Stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of the 1,066,912 shares of Series A preferred stock issued on March 14, 2018, inclusive of shares issued upon conversion of accrued dividends on such shares.

In connection with the consummation of the placement of our Series A Redeemable Convertible Preferred Stock, on March 14, 2018 and June 28, 2019, we issued to Emily Wang Fairbairn, acting as lead investor, warrants to purchase 336,612 and 139,172 shares of our common stock, respectively. Ms. Fairbairn later assigned three-fourths of the warrant among three accredited investors. The warrant had a term of five years and an exercise price of $0.0125. These warrants were exercised in full on June 28, 2019.

On April 23, 2018, in connection with the consummation of the second placement of our Series A Redeemable Convertible Preferred Stock on that date, we issued to NSC a warrant to purchase 26,957 shares of our common stock as consideration for its service as placement agent. NSC later assigned approximately nine-tenths of the warrant (a total of 24,260 shares) among three accredited investors. The warrant had a term of five years and an exercise price of $2.60 per share, which was subsequently amended to $1.40 per share. Upon consummation of the offering and the automatic conversion of the Series A Redeemable Convertible Preferred Stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of the 269,573 shares of Series A preferred stock issued on April 23, 2018, inclusive of shares issued upon conversion of accrued dividends on such shares.

In March and June 2019, we sold an aggregate of 4,942,319 shares of our Series B Redeemable Convertible Preferred Stock to 185 accredited investors at an aggregate offering price of $10,377,820.

On March 28, 2019, in connection with the consummation of the placement of our Series B Redeemable Convertible Preferred Stock on that date, we issued to Emily Wang Fairbairn, acting as lead investor, a warrant to purchase 23,800 shares of our common stock. Ms. Fairbairn later assigned three-fourths of the warrant among three accredited investors. The warrant had a term of five years and an exercise price of $0.0125. These warrants were exercised in full on June 28, 2019.

On April 16, 2019, in connection with the consummation of the placement of our Series B Redeemable Convertible Preferred Stock, we issued to NSC a warrant to purchase 414,270 shares of our common stock as consideration for its service as placement agent. NSC later assigned approximately nine-tenths of the warrant (a total of 372,843 shares) among six accredited investors. The warrant had a term of five years and an exercise price of $2.10 per share. Upon consummation of the offering and the automatic conversion of the Series B Redeemable Convertible Preferred Stock in connection therewith, these warrants will adjust and become exercisable for a number of shares of common stock equal to 10% of the aggregate number of shares of common stock issued by the Company upon conversion of the 4,142,270 shares of Series B preferred stock issued on March 3, 2019, inclusive of shares issued upon conversion of accrued dividends on such shares.

From February through August of 2020, we issued convertible promissory notes in an aggregate principal amount of $12.5 million to 314 accredited investors, including $0.7 million as payment for services.

On August 27, 2020, in connection with the consummation of the placement of our convertible promissory notes, we issued to Emily Wang Fairbairn, acting as lead investor, a warrant to purchase 10,000 shares of our common stock. The warrant has a term of five years and an initial exercise price of $2.97 per share. Upon automatic conversion of the related promissory notes, the exercise price of this warrant is automatically adjusted to the conversion price.

On August 27, 2020, in connection with the consummation of the placement of our convertible promissory notes, we issued to Newbridge Securities and NSC warrants to purchase 161,830 and 42,220 shares, respectively, of our common stock as consideration for their services as placement agent. The warrants have a term of five years and an initial exercise price of $2.97 per share. Upon automatic conversion of the related promissory notes, the exercise price of these warrants is automatically adjusted to the conversion price. In February 2021, the NSC warrants to purchase 42,220 shares of our common stock were cancelled by their holders for no consideration.

On February 10, 2021, we issued to two individuals warrants to purchase an aggregate 52,500 shares of our common stock in connection with obligations owed to those individuals related to the consummation of the placement of our Series A Redeemable Convertible Preferred Stock in 2018. The warrants have an exercise price of $0.0125 and expire on March 3, 2023.

The offers, sales and issuances of the securities described above were deemed to be exempt from registration under the Securities Act in reliance on the exemption provided by Section 4(a)(2) of the Securities Act. Each of the recipients of securities in these transactions was an accredited investor and there was no form of general solicitation or general advertising relating to the offer.

Stock Options and Stock Awards

Effective on June 20, 2018, we granted to certain employees, directors and consultants, as consideration for their service to the Company, options to purchase an aggregate of 270,000 shares of our common stock at an exercise price of $0.68 per share.

Effective November 18, 2019, we granted to certain employees, directors and consultants, as consideration for their service to the Company, options to purchase an aggregate of 2,757,200 shares of our common stock at an exercise price of $0.38 per share.

Effective February 12, 2020, we granted to certain employees, directors and non-employee directors, as consideration for their service to the Company, options to purchase an aggregate of 85,478 shares of our common stock at an exercise price of $0.38 per share.

Effective September 30, 2020, we granted to one employee, as consideration for his service to the Company, 140,000 fully vested shares of our common stock.

Effective September 30, 2020, we granted to certain employees, directors and non-employee directors, as consideration for their service to the Company, options to purchase an aggregate of 835,000 shares of our common stock at an exercise price of $0.54 per share.

Effective December 7, 2020, we granted to one non-employee director, as consideration for his service to the Company, options to purchase an aggregate of 350,000 shares of our common stock at an exercise price of $0.54 per share.

Effective December 7, 2020, we granted to certain employees, as consideration for their service to the Company, options to purchase an aggregate of 462,000 shares of our common stock at an exercise price of $2.00 per share.

From October 15, 2020 through December 31, 2020, certain of our employees and directors exercised options to purchase an aggregate of 1,417,500 shares of our common stock with exercise prices ranging from $0.38 to $0.68 per share for an aggregate exercise price of $675,400.

Between January 1, 2021 and March 5, 2021, certain employees and directors exercised a total of 75,208 options for our common stock resulting in proceeds of approximately $40,000.

Effective February 10, 2021, we granted to certain employees and directors, as consideration for their service to the Company, options to purchase an aggregate of 1,415,000 shares of our common stock at an exercise price of $3.26 per share.

All of the shares of common stock, stock options and stock awards described above were granted in reliance upon an available exemption from the registration requirements of the Securities Act, including those contained in Rule 701 promulgated under Section 3(b) of the Securities Act. Among other things, we relied on the fact that, under Rule 701, companies that are not subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act are exempt from registration under the Securities Act with respect to certain offers and sales of securities pursuant to “compensatory benefit plans” as defined under that rule. We believe that all of the shares of common stock, stock options and stock awards described above were issued pursuant qualifying “compensatory benefit plans”.

ITEM 16. EXHIBITS

Exhibit No.	Description of Document
1.1	Form of Underwriting Agreement
3.1	Second Amended and Restated Certificate of Incorporation of the Registrant, as currently in effect*
3.2	Bylaws of the Registrant, as currently in effect*
3.3	Third Amended and Restated Certificate of Incorporation of the Registrant, to be in effect upon completion of this offering
3.4	Amended and Restated Bylaws of the Registrant, to be in effect upon completion of this offering
4.1	Specimen Certificate representing shares of common stock of the Registrant
4.2	Form of Underwriter Warrant
4.3	Form of Amended and Restated Warrant to Purchase Common Stock issued to the placement agent in the Registrant's 2018 private placement offering*
4.4	Form of Amended and Restated Warrant to Purchase Common Stock issued to the placement agent in the Registrant's 2019 private placement offering*
4.5	Form of 2020 Subordinated Convertible Promissory Note*
4.6	Form of Warrant to Purchase Common Stock issued in 2020*
5.1	Opinion of K&L Gates LLP
10.1	Movano Inc. Amended and Restated 2019 Omnibus Incentive Plan†
10.2	Form of Stock Option Award Agreement under 2019 Omnibus Incentive Plan†*
10.3	Non-Employee Director Compensation Policy, to be in effect upon completion of this offering†
10.4	Form of Indemnification Agreement by and between the Registrant and each of its directors and executive officers†*
10.5	Offer Letter, dated November 29, 2019, by and between the Registrant and Michael Leabman †*
10.6	Offer Letter, dated November 29, 2019, by and between the Registrant and Phil Kelly †*
10.7	Offer Letter, dated November 29, 2019, by and between the Registrant and J. Cogan †*
10.8	Form of Securities Purchase Agreement between the Registrant and investors for an offering completed on April 23, 2018‡*
10.9	Form of Consent and Amendment Agreement between the Registrant and investors participating in the offering completed on April 23, 2018*
10.10	Form of Securities Purchase Agreement between the Registrant and investors for an offering completed on March 28, 2019‡*
10.11	Form of Amended and Restated Registration Rights Agreement between the Registrant and investors for an offering completed on March 28, 2019‡*
10.12	Form of August 2019 Amendment to Securities Purchase Agreement between the Registrant and investors participating in the offering completed on April 23, 2018*
10.13	Form of December 2019 Amendment to Securities Purchase Agreement between the Registrant and investors participating in the offering completed on April 23, 2018*
10.14	Form of December 2019 Amendment to Securities Purchase Agreement between the Registrant and investors participating in the offering completed on March 28, 2019*
10.15	Form of 2020 Note Purchase Agreement‡*
10.16	Amended and Restated Lead Investor Agreement, dated August 27, 2020, between the Registrant and Maestro Venture Partners, LLC*
10.17	Offer Letter, dated February 8, 2020, by and between the Registrant and John Mastrototaro †
10.18	First Amendment to Employment Letter Agreement, dated February 10, 2021, by and between the Registrant and Michael Leabman †
10.19	First Amendment to Employment Letter Agreement, dated February 10, 2021, by and between the Registrant and Phil Kelly †
10.20	First Amendment to Employment Letter Agreement, dated February 10, 2021, by and between the Registrant and J. Cogan †
23.1	Consent of Moss Adams LLP, Independent Registered Public Accounting Firm
23.2	Consent of K&L Gates LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on the signature page of this Registration Statement)

* Previously filed.

‡ Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Movano Inc. hereby undertakes to furnish supplementally copies of any of the omitted schedules upon request by the U.S. Securities and Exchange Commission.

† Indicates management compensatory plan, contract or arrangement.

ITEM 17. UNDERTAKINGS

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered that remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability of the registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities: The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser: (i) any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424; (ii) any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant; (iii) the portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and (iv) any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(5) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(6) For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus as filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(7) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Pleasanton, California, State of California, on this 10th day of March, 2021.

Movano Inc.

/s/ Michael Leabman
Michael Leabman
Chief Executive Officer and Director
(Principal Executive Officer)

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints Michael Leabman and J. Cogan and each of them, his true and lawful attorney-in-fact and agent, each with full power of substitution and resubstitution, severally, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, any subsequent registration statements pursuant to Rule 462 of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their or his or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof. This power of attorney may be executed in counterparts.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

/s/ Michael Leabman — March 10, 2021
Michael Leabman
Chief Executive Officer and Director
(Principal Executive Officer)

/s/ J. Cogan — March 10, 2021
J. Cogan
Chief Financial Officer
(Principal Financial and Accounting Officer)

/s/ *** — March 10, 2021
Emily Wang Fairbairn, Director

/s/ *** — March 10, 2021
John Mastrototaro, Director

/s/ *** — March 10, 2021
Brian Cullinan, Director

/s/ Rubén Caballero — March 10, 2021
Rubén Caballero, Director

*** By: /s/ Michael Leabman
Michael Leabman
Attorney-in-fact

Exhibit 1.1

MOVANO INC.

UNDERWRITING AGREEMENT

New York, New York
_____ __, 2021

National Securities Corporation,
As Representative of the Several Underwriters
200 Vesey Street, 25th Floor
New York, NY 10281

Ladies and Gentlemen:

The undersigned, Movano Inc. (together with its affiliates, subsidiaries, predecessors, and successors, the "**Company**"), a company formed under the laws of Delaware, hereby confirms its agreement with National Securities Corporation (hereinafter referred to as the "**Representative**"), a Washington corporation, and with the other underwriters named on Schedule 1 hereto for which the Representative is acting as representative (the Representative and such other underwriters being collectively called the "**Underwriters**" or, individually, an "**Underwriter**") as follows:

1. Purchase and Sale of Securities.

1.1 Firm Securities.

1.1.1 Nature and Purchase of Firm Securities.

(i) On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, the Company agrees to issue and sell, severally and not jointly, to the several Underwriters, an aggregate of [_____] shares ("**Firm Shares**") of the Company's common stock, par value $0.0001 per share (the "**Common Stock**").

(ii) The Underwriters, severally and not jointly, agree to purchase from the Company the number of Firm Shares set forth opposite their respective names on Schedule 1 attached hereto and made a part hereof at a purchase price (net of discounts and commissions) of [___] per Share [_____% of the per Share public offering price]; provided, however, that the purchase price to be paid by the Underwriters for the Firm Shares to be sold to those parties on Schedule 2 ("**Excluded Investors**") shall be [___] per Share [100% of the per Share public offering price]. The Firm Shares are to be offered initially to the public (the "**Offering**") at the offering price set forth on the cover page of the Prospectus (as defined in Section 2.1.1 hereof).

1.1.2 Shares Payment and Delivery.

(i) Delivery and payment for the Firm Shares shall be made at 10:00 a.m., Eastern time, on the third (3rd) Business Day following the effective date (the "**Effective Date**") of the Registration Statement (as defined in Section 2.1.1 below) (or the fourth (4th) Business Day following the Effective Date, if the Registration Statement is declared effective on or after 4:30 p.m.) or at such earlier time as shall be agreed upon in writing by the Representative and the Company at the offices Greenberg Traurig, LLP, counsel to the Underwriters ("**Greenberg Traurig**"), or at such other place (or remotely by facsimile or other electronic transmission) as shall be agreed upon in writing by the Representative and the Company. The hour and date of delivery and payment for the Firm Shares is called the "**Closing Date**."

(ii) Payment for the Firm Shares shall be made on the Closing Date by wire transfer in Federal (same day) funds, payable to the order of the Company upon delivery of the certificates (in form and substance satisfactory to the Underwriters) representing the Firm Shares (or through the facilities of the Depository Trust Company (the "**DTC**")) for the account of the Underwriters. The Firm Shares shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least two (2) full Business Days prior to the Closing Date. The Company shall not be obligated to sell or deliver the Firm Shares except upon tender of payment by the Representative for all the Firm Shares. The term "**Business Day**" means any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions are authorized or obligated by law to close in New York City.

1.2 Over-allotment Option.

1.2.1 Option Shares. For the sole purpose of covering any over-allotments in connection with the distribution and sale of the Firm Shares, the Underwriters are hereby granted an option to purchase up to [_____] shares of Common Stock representing up to [_____] percent ([_____]%) of the Firm Shares sold in the offering from the Company (the "**Over-allotment Option**"). Such additional Over-allotment Option shares of Common Stock, the net proceeds of which will be deposited with the Company's account, are hereinafter referred to as "**Option Shares**." The purchase price to be paid for the Option Shares will be the public offering price, less the underwriting discount, as set forth in Section 1.1.1 hereof; provided, however, that the purchase price to be paid by the Underwriters for the Option Shares to be sold to **Excluded Investors** shall be equal to the per Share public offering price. The Firm Shares and the Option Shares are hereinafter referred to collectively as the "**Public Securities**."

1.2.2 Exercise of Option. The Over-allotment Option granted pursuant to Section 1.2.1 hereof may be exercised by the Representative as to all (at any time) or any part (from time to time) of the Option Shares within 45 days after the Effective Date. The Underwriters will not be under any obligation to purchase any Option Shares prior to the exercise of the Over-allotment Option. The Over-allotment Option granted hereby may be exercised by the giving of oral notice to the Company from the Representative, which must be confirmed in writing by overnight mail or facsimile or other electronic transmission setting forth the number of Option Shares to be purchased and the date and time for delivery of and payment for the Option Shares (the "**Option Closing Date**"), which will not be later than five (5) full Business Days after the date of the notice or such other time as shall be agreed upon in writing by the Company and the Representative, at the offices of Greenberg Traurig or at such other place (including remotely by facsimile or other electronic transmission) as shall be agreed upon in writing by the Company and the Representative. If such delivery and payment for the Option Shares does not occur on the Closing Date, the Option Closing Date will be as set forth in the notice. Upon exercise of the Over-allotment Option, the Company will become obligated to convey to the Underwriters, and, subject to the terms and conditions set forth herein, the Underwriters will become obligated to purchase, the number of Option Shares specified in such notice.

1.2.3 Payment and Delivery. Payment for the Option Shares will be made on the Option Closing Date by wire transfer in Federal (same day) funds as follows: [___] per Option Share, [100% of the per Share public offering price], payable to the order of the Company upon delivery of certificates (in form and substance satisfactory to the Underwriters) representing the Option Shares (or through the facilities of DTC) for the account of the Underwriters. The Option Shares shall be registered in such name or names and in such authorized denominations as the Representative may request in writing at least two (2) full Business Days prior to the Option Closing Date. The Company shall not be obligated to sell or deliver the Option Shares except upon tender of payment by the Representative for applicable Option Shares.

1.3 Underwriters' Warrants. The Company hereby agrees to issue and sell to the Representative on the Closing Date and Option Closing Date warrants to purchase that number of shares of Common Stock equal to an aggregate of [_____]% of the shares of Common Stock sold in the Offering to investors other than the Excluded Investors (the "**Underwriters' Warrants**"). The Underwriters' Warrants shall be exercisable, in whole or in part, commencing twelve (12) months after the Effective Date and expiring five (5) years after the Effective Date at an initial exercise price per share of [___] [_____% of the per Share offering price]. The Underwriters' Warrants and the shares of Common Stock issuable upon exercise thereof ("**Warrant Shares**") are sometimes referred to herein collectively as the "**Warrant Securities**." The Representative understands and agrees that there are significant restrictions pursuant to FINRA Rule 5110 against transferring the Warrant Securities and by its acceptance thereof shall agree that it will not sell, transfer, assign, pledge or hypothecate the Warrant Securities, or any portion thereof, or be the subject of any hedging, short sale, derivative, put or call transaction that would result in the effective economic disposition of such securities other than in accordance with FINRA Rule 5110. Notwithstanding anything in this Agreement to the contrary, the Warrant Securities may not be sold, transferred, assigned, pledged, or hypothecated prior to the date that is three hundred sixty-five (365) days immediately following the Effective Date.

2. Representations and Warranties of the Company. The Company represents and warrants to the Underwriters as of the Applicable Time (as defined below) and as of the Closing Date and as of the Option Closing Date, if any, as follows:

2.1 Filing of Registration Statement.

2.1.1 Pursuant to the Act. The Company has filed with the Securities and Exchange Commission (the "**Commission**") a registration statement and an amendment or amendments thereto, on Form S-1 (File No. 333-252671), including any related preliminary prospectus or prospectuses, including those that omitted information pursuant to Rule 430A, for the registration of the Public Securities under the Securities Act of 1933, as amended (the "**Act**"), which registration statement and amendment or amendments have been prepared by the Company in all material respects in conformity with the requirements of the Act and the rules and regulations of the Commission under the Act (the "**Regulations**"). Except as the context may otherwise require, such registration statement on file with the Commission at the time the registration statement becomes effective (including the prospectus, financial statements, schedules, exhibits and all other documents filed as a part thereof or incorporated therein by reference pursuant to Item 12 of Form S-1 and all information deemed to be a part thereof as of the Effective Date pursuant to paragraph (b) of Rule 430A of the Regulations and any registration statement filed pursuant to Rule 462(b)) is referred to herein as the "**Registration Statement**." As used herein, the term "**Preliminary Prospectus**" shall mean the preliminary prospectus dated [_____], 2021 made part of the Registration Statement. The final prospectus in the form first furnished to the Underwriters for use in the Offering is hereinafter called the "**Prospectus**." The Registration Statement has been declared effective by the Commission on the date hereof. "**Applicable Time**" means 5:00 p.m. on the Effective Date or such other time as agreed to in writing by the Company and the Representative.

2.1.2 Pursuant to the Exchange Act. The Company has filed with the Commission a Form 8-A (File No. [_____]) providing for the registration under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), of the Firm Shares, and the Option Shares. The registration of the Firm Shares and the Option Shares under the Exchange Act has been declared effective by the Commission on the date hereof.

2.2 No Stop Orders, etc. Neither the Commission nor, to the Company's knowledge, any state regulatory authority has issued any order preventing or suspending the use of the Preliminary Prospectus, the Prospectus or the Registration Statement or has instituted or, to the Company's knowledge, threatened to institute any proceedings with respect to such an order.

2.3 Disclosures in Registration Statement.

2.3.1 10b-5 Representation. At the respective times of use of the Preliminary Prospectus and Prospectus and the effectiveness of the Registration Statement and any post-effective amendments thereto (and at the Closing Date and the Option Closing Date, if any):

(i) The Preliminary Prospectus, Prospectus, Registration Statement and any post-effective amendments thereto did and will contain all material statements that are required to be stated therein in accordance with the Act and the Regulations, and will in all material respects conform to the requirements of the Act and the Regulations;

(ii) Neither the Preliminary Prospectus, the Prospectus nor the Registration Statement, nor any amendment or supplement thereto, on such dates, do or will contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. The representation and warranty made in this Section 2.3.1(ii) does not apply to statements made or statements omitted in reliance upon and in conformity with written information furnished to the Company with respect to the Underwriters by the Representative expressly for use in the Preliminary Prospectus, the Prospectus or the Registration Statement or any amendment thereof or supplement thereto. The parties acknowledge and agree that such information provided by or on behalf of any Underwriter consists solely of the names of the Underwriters appearing in the "Underwriting" section of the Prospectus and the following additional disclosure contained in the "Underwriting" section of the Prospectus: (i) the fourth and sixth paragraphs under "Underwriting," (ii) the statements in "Underwriting - Determination of Offering Price Listing," and (iii) the first paragraph under "Underwriting - Short Positions and Penalty Bids" (the "**Underwriters' Information**").

2.3.2 Disclosure of Agreements. The agreements and documents described in the Preliminary Prospectus, the Prospectus and the Registration Statement conform to the descriptions thereof contained therein and there are no agreements or other documents required by the Act and the Regulations to be described therein or to be filed with the Commission as exhibits to the Registration Statement, that have not been so described or filed. Each agreement or other instrument (however characterized or described) to which the Company is a party or by which it is or may be bound or affected and (i) that is referred to in the Preliminary Prospectus or the Prospectus, or (ii) is material to the Company's business, has been duly authorized and validly executed by the Company, is in full force and effect in all material respects and is enforceable against the Company and, to the Company's knowledge, the other parties thereto, in accordance with its terms, except (x) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally, (y) as enforceability of any indemnification or contribution provision may be limited under the federal or state securities laws, and (z) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefore may be brought. None of such agreements or instruments has been assigned by the Company, and neither the Company nor, to the Company's knowledge, any other party is in default thereunder and, to the Company's knowledge, no event has occurred that, with the lapse of time or the giving of notice, or both, would constitute a default thereunder. To the Company's knowledge, performance by the Company of the material provisions of such agreements or instruments will not result in a violation of any existing applicable law, rule, regulation, judgment, order or decree of any governmental agency or court, domestic or foreign, having jurisdiction over the Company or any of its assets or businesses, including, without limitation, those relating to environmental laws and regulations.

2.3.3 Prior Securities Transactions. No securities of the Company that are required to be "integrated" pursuant to the Act or the regulations thereunder with the offer and sale of the shares of Common Stock pursuant to the Registration Statement have been offered or sold, either prior to the initial filing of the Registration Statement or the Effective Date, by the Company or, to the Company's knowledge, any of its affiliates or by or on behalf of, or for the benefit of, any person or persons controlling, controlled by, or under common control with the Company, except as disclosed in the Registration Statement.

2.4 Changes After Dates in Registration Statement.

2.4.1 No Material Adverse Change. Since the respective dates as of which information is given in the Registration Statement and the Prospectus, except as otherwise specifically stated therein: (i) there has been no material adverse change in the condition, financial or otherwise, of the Company taken as a whole; (ii) there have been no material transactions entered into by the Company required to be disclosed in the Prospectus or the Registration Statement, other than as contemplated pursuant to this Agreement; and (iii) no officer or director of the Company has resigned from any position with the Company.

2.4.2 Recent Securities Transactions, etc. Subsequent to the respective dates as of which information is given in the Registration Statement and the Prospectus, and except as may otherwise be indicated or contemplated herein or disclosed in the Registration Statement and the Prospectus, the Company has not: (i) issued any securities or incurred any liability or obligation, direct or contingent, for borrowed money; or (ii) declared or paid any dividend or made any other distribution on or in respect to its capital stock.

2.5 Independent Accountants. To the knowledge of the Company, Moss Adams, LLP ("**Moss Adams**"), whose report is filed with the Commission as part of the Registration Statement, are independent registered public accountants as required by the Act and the Regulations. Moss Adams has not, during the periods covered by the financial statements included in the Prospectus, provided to the Company any non-audit services, as such term is used in Section 10A(g) of the Exchange Act.

2.6 Financial Statements. The financial statements, including the notes thereto and supporting schedules, if any, included in the Preliminary Prospectus, the Prospectus and the Registration Statement fairly present the financial position and the results of operations of the Company at the dates and for the periods to which they apply; and such financial statements have been prepared in conformity with generally accepted accounting principles ("**GAAP**"), consistently applied throughout the periods involved; and the supporting schedules included in the Registration Statement, if any, present fairly the information required to be stated therein. The Preliminary Prospectus, the Prospectus and the Registration Statement disclose all material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the Company with unconsolidated entities or other persons required to be disclosed under Item 303(a)(4) of Regulation S-K.

2.7 Authorized Capital; Options, etc. The Company had, at the date or dates indicated in the Preliminary Prospectus, the Prospectus and the Registration Statement, the duly authorized, issued and outstanding capitalization as set forth therein. Based on the assumptions stated in the Preliminary Prospectus, the Prospectus and the Registration Statement, the Company will have on the Closing Date the adjusted stock capitalization set forth therein (as such adjusted stock capitalization may be further adjusted for the final determination of the shares of Common Stock to be issued upon conversion of the Company's preferred stock and convertible notes). Except as set forth in, or contemplated by, the Registration Statement and the Prospectus, on the Effective Date and on the Closing Date, there will be no options, warrants, or other rights to purchase or otherwise acquire any authorized, but unissued shares of Common Stock of the Company or any security convertible into shares of Common Stock of the Company, or any contracts or commitments on the part of the Company to issue or sell shares of Common Stock or any such options, warrants, rights or convertible securities.

2.8 Valid Issuance of Securities, etc.

2.8.1 Outstanding Securities. All issued and outstanding securities of the Company issued prior to the transactions contemplated by this Agreement have been duly authorized and validly issued and are fully paid and non-assessable; the holders thereof have no rights of rescission with respect thereto, and are not subject to personal liability by reason of being such holders; and none of such securities were issued in violation of the preemptive rights of any holders of any security of the Company or similar contractual rights granted by the Company. The authorized Common Stock of the Company conforms in all material respects to all statements relating thereto contained in the Preliminary Prospectus, the Prospectus and the Registration Statement. The offers and sales of the outstanding shares of Common Stock were at all relevant times either registered under the Act and the applicable state securities or Blue Sky laws or, based in part on the representations and warranties of the purchasers of such shares of Common Stock, exempt from such registration requirements.

2.8.2 Securities Sold Pursuant to this Agreement. The Public Securities have been duly authorized for issuance and sale and, when issued and paid for, will be validly issued, fully paid and non-assessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; the Public Securities are not and will not be subject to the preemptive rights of any holders of any security of the Company or similar contractual rights granted by the Company; and all corporate action required to be taken for the authorization, issuance and sale of the Public Securities has been duly and validly taken. The Public Securities conform in all material respects to all statements with respect thereto contained in the Preliminary Prospectus, the Prospectus and the Registration Statement. The Warrant Shares issuable upon exercise of the Underwriters' Warrants have been reserved for issuance upon the exercise thereof and, when issued in accordance with the terms of such securities will be validly issued, fully paid and non-assessable; the holders thereof are not and will not be subject to personal liability by reason of being such holders; and all corporate action required to be taken for the authorization, issuance and sale of the Warrant Securities has been duly and validly taken. The Warrant Securities conform in all material respects to all statements with respect thereto contained in the Registration Statement.

2.9 Registration Rights of Third Parties. Except as set forth in the Preliminary Prospectus, the Prospectus and the Registration Statement, no holders of any securities of the Company or any rights exercisable for or convertible or exchangeable into securities of the Company have the right to require the Company to register any such securities of the Company under the Act or to include any such securities in a registration statement to be filed by the Company.

2.10 Validity and Binding Effect of Agreements. This Agreement has been duly and validly authorized by the Company, and, when executed and delivered, will constitute a valid and binding obligation of the Company, enforceable against the Company in accordance with its respective terms, except: (i) as such enforceability may be limited by bankruptcy, insolvency, reorganization or similar laws affecting creditors' rights generally; (ii) as enforceability of any indemnification or contribution provision may be limited under the federal or state securities laws; and (iii) that the remedy of specific performance and injunctive and other forms of equitable relief may be subject to the equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

2.11 No Conflicts, etc. The execution, delivery, and performance by the Company of this Agreement and all ancillary documents, the consummation by the Company of the transactions herein and therein contemplated and the compliance by the Company with the terms hereof and thereof do not and will not, with or without the giving of notice or the lapse of time or both: (i) result in a material breach of, or conflict with any of the terms and provisions of, or constitute a material default under, any agreement or instrument to which the Company is a party; (ii) result in any violation of the provisions of the Certificate of Incorporation of the Company (as the same may be amended from time to time, the "**Certificate of Incorporation**"); or (iii) result in the Company's violation of any existing applicable law, rule, regulation, judgment, order or decree of any governmental agency or court, domestic or foreign, having jurisdiction over the Company or any of its properties or business constituted as of the date hereof.

2.12 No Defaults; Violations. No material default exists in the due performance and observance of any term, covenant or condition of any material license, contract, indenture, mortgage, deed of trust, note, loan or credit agreement, or any other agreement or instrument evidencing an obligation for borrowed money, or any other material agreement or instrument to which the Company is a party or by which the Company may be bound or to which any of the properties or assets of the Company is subject. The Company is not in violation of any term or provision of its Certificate of Incorporation, or in violation of any franchise, license, permit, applicable law, rule, regulation, judgment or decree of any governmental agency or court, domestic or foreign, having jurisdiction over the Company or any of its properties or businesses.

2.13 Corporate Power; Licenses; Consents.

2.13.1 Conduct of Business. Except as described in the Preliminary Prospectus, the Prospectus and the Registration Statement, the Company has all requisite corporate power and authority, and has all necessary authorizations, approvals, orders, licenses, certificates and permits of and from all governmental regulatory officials and bodies that it needs as of the date hereof to conduct its business purpose as described in the Preliminary Prospectus and the Prospectus. The disclosures in the Preliminary Prospectus, the Prospectus and the Registration Statement concerning the effects of Federal, state, local and foreign regulation on this Offering and the Company's business purpose as currently contemplated are correct in all material respects.

2.13.2 Transactions Contemplated Herein. The Company has all corporate power and authority to enter into this Agreement and to carry out the provisions and conditions hereof, and all consents, authorizations, approvals and orders required in connection therewith have been obtained. No consent, authorization or order of, and no filing with, any court, government agency or other body is required for the valid issuance, sale and delivery of the securities and the consummation of the transactions and agreements contemplated by this Agreement and as contemplated by the disclosures in the Preliminary Prospectus and the Prospectus, except with respect to applicable Federal and state securities laws and regulations and the rules and regulations of the Financial Industry Regulatory Authority, Inc. ("**FINRA**").

2.14 D&O Questionnaires. To the Company's knowledge, all information contained in the questionnaires (the "**Questionnaires**") completed by each of the Company's officers and directors immediately prior to the Offering, as well as in the Lock-Up Agreement provided to the Underwriters, is true and correct in all material respects and the Company has not become aware of any information which would cause the information disclosed in the Questionnaires completed by each such officer or director to become inaccurate and incorrect.

2.15 Litigation; Governmental Proceedings. There is no action, suit, proceeding, inquiry, arbitration, investigation, litigation or governmental proceeding pending or, to the Company's knowledge, threatened against, or involving the Company or, to the Company's knowledge, any executive officer or director that is required to be disclosed in the Preliminary Prospectus, the Prospectus and the Registration Statement which has not been disclosed therein or in connection with the Company's listing application for the listing of the shares of Common Stock on the Nasdaq Capital Market.

2.16 Good Standing. The Company has been duly organized and is validly existing as a corporation and is in good standing under the laws of Delaware as of the date hereof, and is duly qualified to do business and is in good standing in each jurisdiction in which its ownership or lease of property or the conduct of business requires such qualification, except where the failure to qualify would not have a Material Adverse Effect (as defined in Section 2.20).

2.17 Transactions Affecting Disclosure to FINRA.

2.17.1 Finder's Fees. Except as described in the Preliminary Prospectus, the Prospectus and the Registration Statement, there are no claims, payments, arrangements, agreements or understandings relating to the payment of a finder's, consulting or origination fee by the Company or any of its officers or directors with respect to the sale of the securities hereunder or any other arrangements, agreements or understandings of the Company or, to the Company's knowledge, any of its shareholders that may affect the Underwriters' compensation, as determined by FINRA.

2.17.2 Payments Within Twelve Months. Except as described in the Preliminary Prospectus, the Prospectus and the Registration Statement, the Company has not made any direct or indirect payments (in cash, securities or otherwise) to: (i) any person, as a finder's fee, consulting fee or otherwise, in consideration of such person raising capital for the Company or introducing to the Company persons who raised or provided capital to the Company; (ii) to any FINRA member; or (iii) to the Company's knowledge, to any person or entity that has any direct or indirect affiliation or association with any FINRA member, within the twelve months prior to the Effective Date, other than payments to the Underwriters as provided hereunder in connection with the Offering.

2.17.3 Use of Proceeds. None of the net proceeds of the Offering will be paid by the Company to any participating FINRA member or its affiliates, except as specifically authorized herein.

2.17.4 FINRA Affiliation. To the Company's knowledge, no officer, director or any beneficial owner of the Company's unregistered securities has any direct or indirect affiliation or association with any FINRA member (as determined in accordance with the rules and regulations of FINRA) except as set forth in the Registration Statement. The Company will advise the Representative if it learns that any officer, director or owner of at least 5% of the Company's outstanding shares of Common Stock (or securities convertible into shares of Common Stock) is or becomes an affiliate or associated person of a FINRA member participating in the Offering.

2.18 Foreign Corrupt Practices Act. Neither the Company nor any of the directors, employees or officers of the Company or, to its knowledge, any other person acting on behalf of the Company has, directly or indirectly, given or agreed to give any money, gift or similar benefit (other than legal price concessions to customers in the ordinary course of business) to any customer, supplier, employee or agent of a customer or supplier, or official or employee of any governmental agency or instrumentality of any government (domestic or foreign) or any political party or candidate for office (domestic or foreign) or other person who was, is, or may be in a position to help or hinder the business of the Company (or assist it in connection with any actual or proposed transaction) that (i) might subject the Company to any damage or penalty in any civil, criminal or governmental litigation or proceeding, (ii) if not given in the past, might have had a Material Adverse Effect as reflected in any of the financial statements contained in the Preliminary Prospectus, the Prospectus or (iii) if not continued in the future, might have a Material Adverse Effect. The Company has taken reasonable steps to ensure that its accounting controls and procedures are sufficient to cause the Company to comply in all material respects with the Foreign Corrupt Practices Act of 1977, as amended.

2.19 Officers' Certificate. Any certificate pursuant to this Agreement signed by any duly authorized officer of the Company and delivered to the Representative shall be deemed a representation and warranty by the Company to the Underwriters as to the matters covered thereby.

2.20 Possession of Licenses and Permits. The Company (A) possesses the licenses, permits, certificates, authorizations, consents and approvals (collectively, "**Governmental Licenses**") issued by the appropriate governmental entities necessary to conduct its business as currently conducted as described in the Preliminary Prospectus, the Prospectus and the Registration Statement, and (B) has obtained all necessary Governmental Licenses from other persons necessary to conduct its business, except, in each case of clauses (A) and (B), (i) as described in the Preliminary Prospectus, the Prospectus and the Registration Statement or (ii) to the extent that any failure to possess any Governmental Licenses, provide any notice, make any filing, or obtain any Governmental Licenses would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the assets, business or operations of the Company taken as a whole ("**Material Adverse Effect**"); the Company is not in violation of, or in default under, any Governmental License, as except as would not reasonably be expected to have a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Company has not received any notice of proceedings relating to the revocation or modification of any Governmental Licenses which, individually or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a Material Adverse Effect.

2.21 Title to Property. The Company has legal and valid title to all assets and properties described as owned by it in the Preliminary Prospectus, the Prospectus and the Registration Statement (whether through fee ownership, mineral estates or similar rights of ownership), in each case free and clear of all liens, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, and any real property or personal property held under lease by the Company is held under a lease that is valid, existing and enforceable by the Company with such exceptions as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, and the Company has not received any written notice of any material claim that is adverse to the rights of the Company under any lease.

2.22 Possession of Intellectual Property. The Company owns or possesses all licenses or other rights to use all patents, trademarks, service marks, trade names, copyrights, software and design licenses, trade secrets, manufacturing processes, other intangible property rights and know-how as are necessary for the conduct of its business as described in the Preliminary Prospectus, the Prospectus and the Registration Statement (collectively, "**Intellectual Property**"), except where the failure to own or possess such Intellectual Property would not reasonably be expected to have a Material Adverse Effect. The Company has not received written notice of any infringement of or conflict with (and the Company does not know of any such infringement of or conflict with) any asserted rights of others with respect to any Intellectual Property that would reasonably be expected to have a Material Adverse Effect.

2.23 Company IT Systems. The Company owns or has a valid right to access and use all computer systems, networks, hardware, software, databases, websites and equipment used to process, store, maintain and operate data, information and functions necessary for the conduct of its business (the "**Company IT Systems**"), except where the failure to own or have the right to access the Company IT Systems would not reasonably be expected to have a Material Adverse Effect. The Company IT Systems are adequate for, and operate and perform in all material respects as required in connection with, the operation of the business of the Company as currently conducted, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. (A) There has been no security breach or incident, unauthorized access or disclosure, or other compromise of or relating to the Company IT Systems; (B) the Company has not been notified of, and has no knowledge of any event or condition that could result in, any security breach or incident, unauthorized access or disclosure or other compromise to the Company IT Systems and (C) the Company has implemented appropriate controls, policies, procedures, and technological safeguards designed to maintain and protect the integrity, continuous operation, redundancy, disaster recovery and security of the Company IT Systems reasonably consistent with industry standards and practices, or as required by applicable regulatory standards, except with respect to clauses (A) and (B), for any such security breach or incident, unauthorized access or disclosure or other compromise, as would not, individually or in the aggregate, have a Material Adverse Effect. The Company is presently in material compliance with all applicable laws or statutes and all judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority, internal policies and contractual obligations relating to the privacy and security of Company IT Systems, and to the protection of such Company IT Systems and the data contained therein from unauthorized use, access, misappropriation or modification. The Company has not received any notice, claim, complaint, demand or letter from any person, in respect of its businesses, under applicable data security and data protection laws and regulations and industry standards regarding misuse, loss, unauthorized destruction or unauthorized disclosure of any personally identifiable information, protected health information and other confidential information of the Company and any third parties in their possession ("**Sensitive Company Data**"). To the Company's knowledge, there has been no unauthorized or illegal use of our access to any Sensitive Company Data by any third party. The Company has not been required to notify any individual or data protection authority of any information security breach, compromise or incident involving Sensitive Company Data.

2.24 Environmental Laws. Except as described in the Preliminary Prospectus, the Prospectus and the Registration Statement, (A) the Company is not in violation of any federal, state, local or foreign statute, law, rule, regulation, ordinance, code, policy or rule of common law or any judicial or administrative interpretation thereof, including any judicial or administrative order, consent, decree or judgment, relating to pollution or protection of human health, the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or wildlife, including, without limitation, laws and regulations relating to the release or threatened release of chemicals, pollutants, contaminants, wastes, toxic substances, hazardous substances, petroleum or petroleum products, asbestos-containing materials or mold (collectively, "**Hazardous Materials**") or to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials (collectively, "**Environmental Laws**"), except for those violations that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, (B) the Company has all permits, authorizations and approvals required under any applicable Environmental Laws and is in compliance in all material respects with their requirements, (C) there are no pending or, to the Company's knowledge, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of noncompliance or violation, investigations or proceedings relating to any Environmental Law against the Company, and (D) to the Company's knowledge, there are no events or circumstances that would reasonably be expected to form the basis of an order for clean-up or remediation, or an action, suit or proceeding by any private party or governmental body or agency, against or affecting the Company relating to Hazardous Materials or any Environmental Laws.

2.25 Payment of Taxes. Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect or where such matters are the result of a pending bona fide dispute with taxing authorities, (A) the Company has accurately prepared and timely filed all federal, state, foreign and other tax returns or other statements that are or were required to be filed by it, if any, and has paid or made provision for the payment of all taxes, assessments, governmental or other similar charges, including without limitation, all sales and use taxes and all taxes which it is obligated to withhold from amounts owing to employees, creditors and third parties, with respect to the periods covered by such tax returns (whether or not such amounts are shown as due on any tax return), (B) no deficiency assessment with respect to a proposed adjustment of the Company's federal, state, local or foreign taxes is pending or, to the Company's knowledge, threatened, (C) since the date of the most recent audited financial statements, the Company has not incurred any liability for taxes other than in the ordinary course of its business, and (D) there is no tax lien, whether imposed by any federal, state, foreign or other taxing authority, outstanding against the assets, properties or business of the Company.

2.26 Insurance. The Company carries, or is covered by, insurance (issued by insurers of recognized financial responsibility) in such amounts and covering such risks as is appropriate for the conduct of its entire business and the value of its assets, all of which insurance is in full force and effect in all material respects.

2.27 Investment Company Act. The Company is not, nor upon the sale of the Public Securities as contemplated herein and the application of the net proceeds therefrom as described in the Preliminary Prospectus, the Prospectus and the Registration Statement under the caption "Estimated Use of Proceeds", will the Company be, an "investment company" or an entity "controlled" by an "investment company" (as such terms are defined in the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder).

2.28 Employment Laws Compliance. The Company has not violated, or received any notice of any violation with respect to, any law, rule, regulation, order, decree or judgment applicable to it and its business, including those relating to transactions with affiliates, environmental, safety or similar laws, federal or state laws relating to discrimination in the hiring, promotion or pay of employees, federal or state wages and hours law, the Employee Retirement Income Security Act of 1974, as amended, or the rules and regulations promulgated thereunder, except for those violations that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect.

2.29 Money Laundering Laws. The Company has not, and, to the Company's knowledge, none of the officers, directors, employees or agents purporting to act on behalf of the Company, as applicable, has made any payment of funds of the Company or received or retained any funds in violation of any law, rule or regulation relating to the "know your customer" and anti-money laundering laws of any jurisdiction (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any governmental entity involving the Company with respect to the Money Laundering Laws is pending or, to the Company's knowledge, threatened.

2.30 OFAC. The Company has not, and, to the Company's knowledge, none of its directors, officers, agents or employees purporting to act on behalf of the Company is currently the target of or reasonably likely to become the target of any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**"); and the Company will not directly or indirectly use the proceeds of the offering of the Public Securities hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently the target of any U.S. sanctions administered by OFAC.

2.31 Lock-up Agreements. Each of the Company's officers, directors and record holders of Common Stock immediately prior to the Applicable Time (the "**Lock-Up Parties**"), have agreed that for a period of twelve (12) months following the initial listing on an exchange or trading medium (the "**Lock-Up Period**"), such persons and their affiliated parties shall not sell, contract to sell, grant any option for the sale or otherwise dispose of any of our equity securities, or any securities convertible into or exercisable or exchangeable for our equity securities, without the consent of the Representative. The Representative may consent to an early release from the Lock-Up period if, in its opinion, the market for shares of Common Stock would not be adversely impacted by sales and in cases of financial emergency of an officer, director or other stockholder. The Company has caused each of the Lock-Up Parties to deliver to the Representative the agreements of each Lock-Up Party to the foregoing effect prior to the date that the Company requests that the Commission declare the Registration Statement effective under the Act.

2.32 Subsidiaries. The Company has no subsidiaries.

2.33 Related Party Transactions. Except as disclosed in the Prospectus and the Registration Statement, there are no business relationships or related party transactions involving the Company or any other person required to be described in the Prospectus that have not been described as required.

2.34 Board of Directors. The Board of Directors of the Company is comprised of the persons set forth under the heading of the Prospectus captioned "Management". The qualifications of the persons serving as board members and the overall composition of the board comply with the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder applicable to the Company and the rules of the Nasdaq Capital Market. At least one member of the Board of Directors of the Company qualifies as a "financial expert" as such term is defined under the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder and the rules of the Nasdaq Capital Market. In addition, at least a majority of the persons serving on the Board of Directors qualify as "independent" as defined under the rules of the Nasdaq Capital Market.

2.35 Sarbanes-Oxley Compliance.

2.35.1 Disclosure Controls. The Company has developed and currently maintains disclosure controls and procedures that will comply with Rule 13a-15 or 15d-15 of the Exchange Act, and such controls and procedures are effective to ensure that all material information concerning the Company will be made known on a timely basis to the individuals responsible for the preparation of the Company's Exchange Act filings and other public disclosure documents.

2.35.2 Compliance. On the Effective Date, the Company was in material compliance with the provisions of the Sarbanes-Oxley Act of 2002 applicable to it, and has implemented such programs and taken reasonable steps to ensure the Company's future compliance (not later than the relevant statutory and regulatory deadlines therefore) with all the material provisions of the Sarbanes-Oxley Act of 2002.

2.36 Statistical and Market-Related Data. Any statistical and market-related data included in Registration Statement, the Preliminary Prospectus and the Prospectus are based on or derived from sources that the Company believes, after reasonable inquiry, to be reliable and accurate in all material respects and, to the extent required, the Company has obtained the written consent to the use of such data from such sources.

2.37 Compliance with Health Care Laws. The Company is and has been in compliance with all Health Care Laws (as hereinafter defined), except where instances of non-compliance would not, singly or in the aggregate, reasonably be expected to result in a Material Adverse Effect. For purposes of this Agreement, "**Health Care Laws**" means all health care laws applicable to the Company, including, but not limited to: the Federal Food, Drug, and Cosmetic Act, the Anti-Kickback Statute (42 U.S.C. Section 1320a-7b(b)), the Civil Monetary Penalties Law (42 U.S.C. § 1320a-7a), the Physician Payment Sunshine Act (42 U.S.C. § 1320a-7h), the Civil False Claims Act (31 U.S.C. Section 3729 et seq.), the criminal False Claims Law (42 U.S.C. § 1320a-7b(a)), all criminal laws relating to health care fraud and abuse, including but not limited to 18 U.S.C. Sections 286 and 287, and the health care fraud criminal provisions under the U.S. Health Insurance Portability and Accountability Act of 1996 ("HIPAA") (42 U.S.C. Section 1320d et seq.), the exclusion laws (42 U.S.C. § 1320a-7), HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (42 U.S.C. Section 17921 et seq.), Medicare (Title XVIII of the Social Security Act), Medicaid (Title XIX of the Social Security Act), and any and all other similar state, local or federal health care laws and the regulations promulgated pursuant to such laws, including, without limitation, the FDA's current good manufacturing practice regulations at 21 CFR Part 820, and all other laws and regulations applicable to ownership, testing, development, manufacture, packaging, processing, use, distribution, storage, import, export or disposal of the Company's products, each as amended from time to time. The Company has not engaged in activities which are, as applicable, cause for false claims liability, civil penalties or mandatory or permissive exclusion from Medicare, Medicaid, or any other state health care program or federal health care program, except where such noncompliance, false claims liability or civil penalties would not reasonably be expected to, singly or in the aggregate, result in a Material Adverse Effect. The Company has not received written notice of any claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any court or arbitrator or governmental or regulatory authority or third party alleging a material violation of any Health Care Laws, and, to the Company's knowledge, no such claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action is threatened. The Company is not a party to and has no ongoing reporting obligations pursuant to any corporate integrity agreements, deferred prosecution agreements, monitoring agreements, consent decrees, settlement orders, plans of correction or similar agreements with or imposed by any governmental or regulatory authority. Additionally, neither the Company nor, to the knowledge of the Company, any of its employees, officers or directors has been excluded, suspended or debarred from participation in any U.S. federal health care program, clinical trial or clinical registry or, to the knowledge of the Company, is subject to a governmental inquiry, investigation, proceeding, or other similar action that could reasonably be expected to result in debarment, suspension, or exclusion. Except as described in the Registration Statement, the Preliminary Prospectus and the Prospectus or as would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Company has not received any FDA Form 483, written notice of adverse finding, warning letter, untitled letter or other correspondence or written notice from any court or arbitrator or governmental or regulatory authority alleging or asserting noncompliance with (x) any Health Care Laws or (y) any Governmental Licenses required by any such Health Care Laws.

2.38 Research Studies, Clinical Trials and Clinical Registries. The research studies, clinical trials and clinical registries conducted by or on behalf of, or sponsored by, the Company, or in which the Company has participated, that are described in the Registration Statement, the Preliminary Prospectus and the Prospectus, or the results of which are referred to in the Registration Statement, the Preliminary Prospectus and the Prospectus, as applicable, were and, if still pending, are being, conducted in all material respects in accordance with all applicable Health Care Laws; to the Company's knowledge, the descriptions of the results of such research studies, clinical trials and clinical registries described in the Registration Statement, the Preliminary Prospectus and the Prospectus do not contain any misstatement of a material fact or omit to state a material fact necessary to make such statements not misleading; and the Company has not received any written notices or correspondence from the FDA or any other foreign, state or local governmental body exercising comparable authority or any institutional review board or comparable authority requiring or threatening the premature termination, suspension, material modification or clinical hold of any research studies, clinical trials or clinical registries conducted by or on behalf of, or sponsored by, the Company or in which the Company has participated that are described in the Registration Statement, the Preliminary Prospectus and the Prospectus, and, to the Company's knowledge, there are no reasonable grounds for the same.

2.39 No Safety Notices. (i) Except as described in the Registration Statement, the Preliminary Prospectus and the Prospectus, there have been no recalls, field notifications, field corrections, market withdrawals or replacements, warnings, "dear doctor" letters, investigator notices, safety alerts or other notice of action relating to an alleged lack of safety, efficacy, or regulatory compliance of the Company's products ("**Safety Notices**"), except as would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (ii) to the Company's knowledge, there are no facts that would be reasonably likely to result in (x) a Safety Notice with respect to the Company's products or services, (y) a material change in labeling of any of the Company's products, or (z) a termination or suspension of marketing or testing of any of the Company's products, except, in each of cases (x), (y) or (z) such as would not, singly or in the aggregate, reasonably be expected to have a Material Adverse Effect.

3. Covenants of the Company. The Company covenants and agrees as follows:

3.1 Amendments to Registration Statement. The Company will deliver to the Representative, prior to filing, any amendment or supplement to the Registration Statement or Prospectus proposed to be filed after the Effective Date, and it will not file any such amendment or supplement to which the Representative shall reasonably object in writing.

3.2 Federal Securities Laws.

3.2.1 Compliance. During the time when a Prospectus is required to be delivered under the Act, the Company will use its best efforts to comply with all requirements imposed upon it by the Act, the Regulations and the Exchange Act and by the regulations under the Exchange Act, as from time to time in force, so far as necessary to permit the continuance of sales of or dealings in the Public Securities in accordance with the provisions hereof and the Prospectus. If at any time when a Prospectus relating to the Public Securities is required to be delivered under the Act, any event shall have occurred as a result of which, in the opinion of counsel for the Company or counsel for the Underwriters, the Prospectus, as then amended or supplemented, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, or if it is necessary at any time to amend the Prospectus to comply with the Act, the Company will notify the Representative promptly and prepare and file with the Commission, subject to Section 3.1 hereof, an appropriate amendment or supplement in accordance with Section 10 of the Act.

3.2.2 Filing of Final Prospectus. The Company will file the Prospectus (in form and substance satisfactory to the Representative) with the Commission pursuant to the requirements of Rule 424 of the Regulations.

3.2.3 Exchange Act Registration. For a period of three years from the Effective Date, the Company will use its best efforts to maintain the registration of the shares of Common Stock under the provisions of the Exchange Act. The Company will not deregister the shares of Common Stock under the Exchange Act without the prior written consent of the Representative. The foregoing requirements shall automatically terminate in the event that the Company, directly or indirectly, in one or more related transactions, (1) sells, transfers or otherwise disposes of all or substantially all of its assets to any other person, or (2) consummates a stock or share purchase agreement or other business combination (including, without limitation, a merger, consolidation, reorganization, recapitalization, spin-off or scheme of arrangement) with any other person whereby such other person acquires more than 50% of the outstanding shares of the Company's voting stock and the Company is not the surviving entity.

3.2.4 Free Writing Prospectuses. The Company represents and agrees that it has not made and will not make any offer relating to the Public Securities that would constitute an issuer free writing prospectus, as defined in Rule 433 of the 1933 Act, without the prior consent of the Representative. Any such free writing prospectus consented to by the Representative is hereinafter referred to as a "**Permitted Free Writing Prospectus**." The Company represents that it will treat each Permitted Free Writing Prospectus as an "issuer free writing prospectus" as defined in Rule 433, and has complied and will comply with the applicable requirements of Rule 433 of the 1933 Act, including timely Commission filing where required, legending and record keeping.

3.3 Delivery to Underwriters of Prospectuses. The Company will deliver to each of the several Underwriters, without charge, from time to time during the period when the Prospectus is required to be delivered under the Act or the Exchange Act such number of copies of each Prospectus as such Underwriters may reasonably request and, as soon as the Registration Statement or any amendment or supplement thereto becomes effective, deliver to the Representative two original executed Registration Statements, including exhibits, and all post-effective amendments thereto and copies of all exhibits filed therewith or incorporated therein by reference and all original executed consents of certified experts.

3.4 Effectiveness and Events Requiring Notice to the Representative. The Company will notify the Representative immediately and confirm the notice in writing: (i) of the effectiveness of the Registration Statement and any amendment thereto; (ii) of the issuance by the Commission of any stop order or of the initiation, or the threatening, of any proceeding for that purpose; (iii) of the issuance by any state securities commission of any proceedings for the suspension of the qualification of the Public Securities for offering or sale in any jurisdiction or of the initiation, or the threatening, of any proceeding for that purpose; (iv) of the mailing and delivery to the Commission for filing of any amendment or supplement to the Registration Statement or Prospectus; (v) of the receipt of any comments or request for any additional information from the Commission; and (vi) of the happening of any event during the period described in this Section 3.4 hereof that, in the judgment of the Company, makes any statement of a material fact made in the Registration Statement or the Prospectus untrue or that requires the making of any changes in the Registration Statement or the Prospectus in order to make the statements therein, in light of the circumstances under which they were made, not misleading. If the Commission or any state securities commission shall enter a stop order or suspend such qualification at any time, the Company will make every reasonable effort to obtain promptly the lifting of such order.

3.5 Reports to the Representative.

3.5.1 Periodic Reports, etc. For a period of three years from the Effective Date, the Company will furnish to the Representative copies of such financial statements and other periodic and special reports as the Company from time to time furnishes generally to holders of any class of its securities and also promptly furnish to the Representative: (i) a copy of each periodic report the Company shall be required to file with the Commission; (ii) a copy of every press release and every news item and article with respect to the Company or its affairs which was released by the Company and posted to the Company's web site; (iii) a copy of each Form 8-K prepared and filed by the Company; and (iv) five copies of each Registration Statement. Documents filed with the Commission pursuant to its EDGAR system or posted to the Company's web site shall be deemed to have been delivered to the Representative pursuant to this Section.

3.5.2 Transfer Sheets. For a period of three years from the Effective Date, the Company shall retain a transfer and registrar agent acceptable to the Representative (the "**Transfer Agent**") and will furnish to the Representatives at the Company's sole cost and expense such transfer sheets of the Company's securities as the Representative may reasonably request, including the daily and monthly consolidated transfer sheets of the Transfer Agent and DTC. Computershare Trust Company, N.A. is acceptable to the Underwriters to act as Transfer Agent for the Company's shares of Common Stock.

3.6 Payment of Expenses.

3.6.1 General Expenses Related to the Offering. The Company hereby agrees to pay on each of the Closing Date and the Option Closing Date, if any, to the extent not paid at the Closing Date, all expenses incident to the performance of the obligations of the Company under this Agreement, including, but not limited to: (i) all filing fees and communication expenses relating to the registration of the Public Securities to be sold in the Offering with the Commission; (b) all filing fees associated with the review of the Offering by FINRA; (c) all fees and expenses relating to the listing of the shares of Common Stock on NASDAQ and such other stock exchanges as the Company and the Underwriter together determine; (d) all fees, expenses and disbursements relating to the registration or qualification of the Public Securities under the "blue sky" securities laws of such states and other jurisdictions as the Representative may reasonably designate; (e) all fees, expenses and disbursements relating to the registration, qualification or exemption of the Public Securities under the securities laws of such foreign jurisdictions as the Underwriters may reasonably designate; (f) the costs of all mailing and printing of the Registration Statements, Preliminary Prospectuses, Prospectuses and all amendments, supplements and exhibits thereto and as many preliminary and final Prospectuses as the Underwriters may reasonably deem necessary; (g) the costs of preparing, printing and delivering certificates representing the Public Securities and fees and expenses of the Transfer Agent for the shares of Common Stock; (h) stock transfer and/or stamp taxes, if any, payable upon the transfer of securities from the Company to the Underwriters; (i) the fees and expenses of the Company's accountants; (j) the fees and expenses of the Company's legal counsel and other agents and representatives; and (k) the Company's actual "road show" expenses for the Offering. With respect to any transaction pursuant to the Offering, the Company's obligation to reimburse expenses incurred by the Representative, with the exception of legal fees and expenses, will be $25,000, subject to the Representative's delivery of appropriate expense reports. With respect to any transaction pursuant to the Offering, the Company will not required to reimburse the Representative more than $150,000 in legal fees. The Representative has the right to deduct from the net proceeds of the Offering any advance made by the Underwriters to pay for the expenses of the Company.

3.7 Application of Net Proceeds. The Company will apply the net proceeds from the Offering received by it in a manner consistent with the application described under the caption "Estimated Use of Proceeds" in the Prospectus.

3.8 Delivery of Earnings Statements to Security Holders. The Company will make generally available to its security holders as soon as practicable, but not later than the first day of the fifteenth full calendar month following the Effective Date, an earnings statement (which need not be certified by independent public or independent certified public accountants unless required by the Act or the Regulations, but which shall satisfy the provisions of Rule 158(a) under Section 11(a) of the Act) covering a period of at least twelve consecutive months beginning after the Effective Date.

3.9 Stabilization. Neither the Company, nor, to its knowledge, any of its employees, directors or stockholders (without the consent of the Representative) has taken or will take, directly or indirectly, any action designed to or that has constituted or that might reasonably be expected to cause or result in, under the Exchange Act, or otherwise, stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Common Stock.

3.10 Internal Controls. The Company will maintain a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary in order to permit preparation of financial statements in accordance with GAAP and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

3.11 Accountants. As of the Effective Date, the Company shall retain Moss Adams or other independent public accountants reasonably acceptable to the Representative, and the Company shall continue to retain a nationally recognized independent certified public accounting firm for a period of at least three years after the Effective Date.

3.12 No Fiduciary Duties. The Company acknowledges and agrees that the Underwriters' responsibility to the Company is solely contractual in nature and that none of the Underwriters or their affiliates or agents shall be deemed to be acting in a fiduciary capacity, or otherwise owes any fiduciary duty to the Company or any of its affiliates in connection with the Offering and the other transactions contemplated by this Agreement.

3.13 Market Stand-Off. Without the prior written consent of the Representatives, for a period of one year after the date of this Agreement, the Company shall not issue, sell or register with the Commission, or otherwise dispose of, directly or indirectly, any equity securities of the Company (or any securities convertible into, or exercisable or exchangeable for, equity securities of the Company), except for (a) the Public Securities to be sold hereunder; (b) any shares of capital stock of the Company issued upon the exercise of options or warrant or conversion of convertible securities described in the Registration Statement, the Preliminary Prospectus and the Prospectus, (c) any shares of capital stock of the Company issued upon the exercise of options granted under the Company's stock incentive plan or bonus plan described as outstanding in the Registration Statement, the General Disclosure Package, the Statutory Prospectus and the Prospectus; (d) any options and other awards granted under a Company stock incentive plan or bonus plan described in the Registration Statement, the Preliminary Prospectus and the Prospectus; and (e) the filing by the Company of any registration statement on Form S-8 or a successor form thereto relating to a Company stock incentive plan described in the Registration Statement, the General Disclosure Package, the Preliminary Prospectus and the Prospectus.

4. Conditions of Underwriters' Obligations. The obligations of the several Underwriters to purchase and pay for the Public Securities, as provided herein, shall be subject to the continuing accuracy of the representations and warranties of the Company as of the date hereof and as of each of the Closing Date and the Option Closing Date, if any, to the accuracy of the statements of officers of the Company made pursuant to the provisions hereof and to the performance by the Company of its obligations hereunder and to the following conditions:

4.1 Regulatory Matters.

4.1.1 Effectiveness of Registration Statement. The Registration Statement shall have become effective not later than 5:00 P.M., Eastern time, on the date of this Agreement or such later date and time as shall be consented to in writing by the Representative, and, at each of the Closing Date and the Option Closing Date, no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or shall be pending or contemplated by the Commission and any request on the part of the Commission for additional information shall have been complied with to the reasonable satisfaction of the Representative.

4.1.2 FINRA Clearance. By the Effective Date, the Representative shall have received oral clearance from FINRA as to the amount of compensation allowable or payable to the Underwriters as described in the Registration Statement.

4.1.3 Nasdaq Clearance. On the Closing Date, the Company's shares of Common Stock, including the Public Securities, shall have been approved for listing on the Nasdaq Capital Market.

4.2 Company Counsel Matters.

4.2.1 Closing Date Opinion of Counsel. On the Closing Date, the Representative shall have received the favorable opinion of K&L Gates, LLP, counsel to the Company ("**K&L Gates**"), dated the Closing Date, addressed to the Representative, in form and substance reasonably satisfactory in all respects to the Representative. The opinion of K&L Gates shall include a statement to the effect that such counsel has participated in conferences with officers and other representatives of the Company, the Underwriters and the independent registered public accounting firm of the Company, at which conferences the contents of the Preliminary Prospectus, the Prospectus and the Registration Statement contained therein and related matters were discussed and, although such counsel is not passing upon and does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Prospectus, the Prospectus and the Registration Statement contained therein, solely on the basis of the foregoing without independent check and verification, no facts have come to the attention of such counsel which lead them to believe that the Registration Statement or any amendment thereto, at the time the Registration Statement or amendment became effective, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading or the Prospectus or any amendment or supplement thereto, at the time they were filed pursuant to Rule 424(b) or at the date of such counsel's opinion, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statement therein, in light of the circumstances under which they were made, not misleading (except that such counsel need express no view and shall not be deemed to have rendered an opinion with respect to the financial information and statistical data). The Registration Statement and the Prospectus and any post-effective amendments or supplements thereto (other than the financial statements including notes and schedules, financial data and statistical data included therein, as to which no opinion need be rendered) each as of their respective dates complied as to form in all material respects with the requirements of the Act and Regulations.

4.2.2 Option Closing Date Opinion of Counsel. On the Option Closing Date, if any, the Representative shall have received the favorable opinion of K&L Gates, counsel to the Company, dated the Option Closing Date, addressed to the Representative and in form and substance reasonably satisfactory to the Representative, confirming as of the Option Closing Date, the statements made by such counsel in its opinion delivered on the Closing Date.

4.2.3 Reliance. In rendering its opinion, K&L Gates may rely: (i) as to matters involving the application of laws other than the laws of the United States and jurisdictions in which they are admitted, to the extent such counsel deems proper and to the extent specified in such opinion, if at all, upon an opinion or opinions (in form and substance reasonably satisfactory to the Representative) of other counsel reasonably acceptable to the Representative, familiar with the applicable laws; and (ii) as to matters of fact, to the extent they deem proper, on certificates or other written statements of officers of the Company and officers of departments of various jurisdictions having custody of documents respecting the corporate existence or good standing of the Company, provided that copies of any such statements or certificates shall be delivered to Greenberg Traurig if requested. The opinion of K&L Gates and any opinion relied upon by K&L Gates shall include a statement to the effect that it may be relied upon by counsel for the Underwriters in its opinion delivered to the Underwriters.

4.3 Cold Comfort Letter. At the time this Agreement is executed, and at each of the Closing Date and the Option Closing Date, if any, the Representative shall have received a letter in form and substance satisfactory in all respects (including the non-material nature of the changes or decreases, if any, referred to in clause (iii) below) to the Representative and to Greenberg Traurig from Moss Adams dated, respectively, as of the date of this Agreement and as of the Closing Date and the Option Closing Date, if any:

(i) Confirming that they are independent public accountants with respect to the Company within the meaning of the Act and the applicable Regulations and that they have not, during the periods covered by the financial statements included in the Prospectus, provided to the Company any non-audit services, as such term is used in Section 10A(g) of the Exchange Act;

(ii) Stating that in their opinion the financial statements of the Company included in the Registration Statement and Prospectus comply as to form in all material respects with the applicable accounting requirements of the Act and the published Regulations thereunder;

(iii) Stating that, on the basis of a limited review which included a reading of the latest available unaudited interim financial statements of the Company (with an indication of the date of the latest available unaudited interim financial statements), a reading of the latest available minutes of the stockholders and board of directors and the various committees of the board of directors, consultations with officers and other employees of the Company responsible for financial and accounting matters and other specified procedures and inquiries, nothing has come to their attention which would lead them to believe that: (a) the unaudited financial statements of the Company included in the Registration Statement do not comply as to form in all material respects with the applicable accounting requirements of the Act and the Regulations or are not fairly presented in conformity with GAAP applied on a basis substantially consistent with that of the audited financial statements of the Company included in the Registration Statement; (b) at a date not later than five days prior to the Effective Date, Closing Date or Option Closing Date, as the case may be, there was any change in the capital stock or long-term debt of the Company, or any decrease in the shareholders' equity of the Company as compared with amounts shown in the December 31, 2020 balance sheet included in the Registration Statement, other than as set forth in or contemplated by the Registration Statement, or, if there was any decrease, setting forth the amount of such decrease, and (c) during the period from December 31, 2020 to a specified date not later than five days prior to the Effective Date, Closing Date or Option Closing Date, as the case may be, there was any decrease in revenues, net earnings or net earnings per share, in each case as compared with the corresponding period in the preceding year and as compared with the corresponding period in the preceding quarter, other than as set forth in or contemplated by the Registration Statement, or, if there was any such decrease, setting forth the amount of such decrease;

(iv) Setting forth, at a date not later than five days prior to the Effective Date, the amount of liabilities of the Company (including a breakdown of commercial paper and notes payable to banks and related parties);

(v) Stating that they have compared specific dollar amounts, numbers of shares, percentages of revenues and earnings, statements and other financial information pertaining to the Company set forth in the Prospectus in each case to the extent that such amounts, numbers, percentages, statements and information may be derived from the general accounting records, including work sheets, of the Company and excluding any questions requiring an interpretation by legal counsel, with the results obtained from the application of specified readings, inquiries and other appropriate procedures (which procedures do not constitute an examination in accordance with generally accepted auditing standards) set forth in the letter and found them to be in agreement;

(vi) Stating that they have not since the Company's formation brought to the attention of the Company's management any control deficiencies related to internal structure, design or operation as defined in the Statement on Auditing Standards No. 325 "Communications About Control Deficiencies in an Audit of Financial Statements," in the Company's internal controls; and

(vii) Statements as to such other matters incident to the transaction contemplated hereby as you may reasonably request.

4.4 Officers' Certificates.

4.4.1 Officers' Certificate. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received a certificate of the Company signed by the Chairman of the Board and Chief Executive Officer of the Company, who can be the same person, dated the Closing Date or the Option Closing Date, as the case may be, respectively, to the effect that the Company has performed all covenants and complied with all conditions required by this Agreement to be performed or complied with by the Company prior to and as of the Closing Date, or the Option Closing Date, as the case may be, and that the conditions set forth in Section 4.5 hereof have been satisfied as of such date and that, as of the Closing Date and the Option Closing Date, as the case may be, the representations and warranties of the Company set forth in Section 2 hereof are true and correct. In addition, the Representative will have received such other and further certificates of officers of the Company as the Representative may reasonably request.

4.4.2 Secretary's Certificate. At each of the Closing Date and the Option Closing Date, if any, the Representative shall have received a certificate of the Company signed by the Secretary or Assistant Secretary of the Company, dated the Closing Date or the Option Date, as the case may be, respectively, certifying: (i) that the Certificate of Incorporation is true and complete, has not been modified and is in full force and effect; (ii) that the resolutions of the Company's Board of Directors relating to the public offering contemplated by this Agreement are in full force and effect and have not been modified; (iii) all correspondence between the Company or its counsel and the Commission; and (iv) as to the incumbency of the officers of the Company. The documents referred to in such certificate shall be attached to such certificate.

4.5 No Material Changes. Prior to and on each of the Closing Date and the Option Closing Date, if any: (i) there shall have been no material adverse change or development involving a prospective material adverse change in the condition or the business activities, financial or otherwise, of the Company from the latest dates as of which such condition is set forth in the Registration Statement and Prospectus taken as a whole; (ii) no action suit or proceeding, at law or in equity, shall have been pending or threatened against the Company or any officers or directors before or by any court or federal or state commission, board or other administrative agency wherein an unfavorable decision, ruling or finding may materially adversely affect the business, operations, or financial condition or income of the Company, except as set forth in the Registration Statement and Prospectus; (iii) no stop order shall have been issued under the Act and no proceedings therefore shall have been initiated or threatened by the Commission; and (iv) the Registration Statement and the Prospectus and any amendments or supplements thereto shall contain all material statements which are required to be stated therein in accordance with the Act and the Regulations and shall conform in all material respects to the requirements of the Act and the Regulations, and neither the Registration Statement nor the Prospectus nor any amendment or supplement thereto shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

4.6 Delivery of Agreements.

4.6.1 Effective Date Deliveries. On the Effective Date, the Company shall have delivered to the Representative executed copies of this Agreement, the Underwriters' Warrant Agreement and the Lock-Up Agreement.

4.6.2 Closing Date Deliveries. On the Closing Date, the Company shall have delivered to the Underwriters the Firm Shares, and on the Option Closing Date, if any, the Company shall have delivered to the Underwriters the Option Shares.

5. Indemnification.

5.1 Indemnification of Underwriters.

5.1.1 General. The Company hereby agrees to indemnify, defend and hold harmless the Representative, Underwriters, their subsidiaries, parents and affiliates, including Liquid Venture Partners, LLC ("**Liquid**") and each of their directors, officers, managers, agents, contractors, employees, members, counsel, and each other person or entity who controls the Representative or Liquid or any of their affiliates within the meaning of Section 15 of the Securities Act (collectively, the "**Indemnified Parties**") to the fullest extent permitted by law from and against any and all losses, claims, damages, expenses, or liabilities (or actions in respect thereof) ("**Losses**"), joint or several, to which they or any of them may become subject under any statute or at common law, and to reimburse such Indemnified Parties for any reasonable legal or other expense (including but not limited to the cost of any investigation, preparation, response to third party subpoenas) incurred by them in connection with any litigation or administrative or regulatory action ("**Proceeding**"), whether pending or threatened, and whether or not resulting in any liability, insofar as such losses, claims, liabilities, or litigation arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in (1) the Preliminary Prospectus, the Registration Statement or the Prospectus (as from time to time each may be amended and supplemented); (2) any materials or information provided to investors by, or with the approval of, the Company in connection with the marketing of the offering of the Public Securities, including any "road show" or investor presentations made to investors by the Company (whether in person or electronically); or (3) the omission or alleged omission to state in any of the foregoing a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, the foregoing indemnification provisions shall not apply to (i) statements or omissions made in reliance upon and in conformity with the Underwriters' Information, (ii) amounts paid in settlement of any such litigation if such settlement is effected without the prior written consent of the Company, which consent will not be unreasonably withheld, conditioned or delayed, or (iii) such Losses resulted from the gross negligence or willful misconduct, the breach of the Underwriting Agreement or violation of applicable law by the Representative or any Indemnified Party; and provided that the Company will not be responsible for the fees and expenses of more than one counsel to all Indemnified Parties, in addition to appropriate local counsel, unless in the reasonable opinion of counsel to any Indemnified Party there exists a potential conflict of interest which would make it inappropriate for one counsel to represent all such Indemnified Parties.

5.1.2 Procedure. Each Indemnified Party shall, promptly after the receipt of notice of the commencement of any claim or Proceeding against such Indemnified Party in respect of which indemnity may be sought from the Company, notify the Company in writing of the commencement thereof. The omission of any Indemnified Party to so notify the Company of any such action shall not relieve the Company from any liability which it may have to such Indemnified Party (a) other than pursuant to Section 5.1.1 or (b) under Section 5.1.1 unless, and only to the extent that, such omission results in the Company's forfeiture of substantive rights or defenses. In case any such claim or Proceeding shall be brought against any Indemnified Party, and it shall notify the Company of the commencement thereof, the Company shall be entitled to assume the defense thereof at its own expense, with counsel satisfactory to such Indemnified Party in its reasonable judgment; provided, however, that any Indemnified Party may, at its own expense, retain separate counsel to participate in such defense at its own expense. Notwithstanding the foregoing, in any claim or proceeding in which both the Company, on the one hand, and an Indemnified Party, on the other hand, are, or are reasonably likely to become, a party, such Indemnified Party shall have the right to employ separate counsel and to control its own defense of such claim if, in the reasonable opinion of counsel to such Indemnified Party, either (x) one or more defenses are available to the Indemnified Party that are not available to the Company or (y) a conflict or potential conflict exists between the Company, on the one hand, and such Indemnified Party, on the other hand, that would make such separate representation advisable; provided, however, that the Company (i) shall not be liable for the fees and expenses of more than one counsel to all Indemnified Parties and (ii) shall reimburse the Indemnified Parties for all of such fees and expenses of such counsel incurred in any action between the Company and the Indemnified Parties or between the Indemnified Parties and any third party, as such expenses are incurred.

5.1.3 Reimbursement. In the event the Company chooses not to accept the defense of the Proceeding, the Company will reimburse all Indemnified Parties for all reasonable expenses (including, but not limited to, reasonable fees and disbursements of counsel for all Indemnified Parties) incurred by any such Indemnified Parties in connection with investigating, preparing, and defending any such action or claim, whether or not in connection with pending or threatened litigation in connection with the transaction to which an Indemnified Party is a party, promptly as such expenses are incurred or paid (unless the Indemnified Parties request they be paid in advance pursuant to Section 5.1.4 below).

5.1.4 Advances. Notwithstanding any other provision hereof or any other agreement between the parties, in the event the Company chooses not to accept the defense of the Proceeding, the Company shall advance, to the extent not prohibited by law, all expenses reasonably anticipated to be incurred by or on behalf of the Indemnified Parties in connection with any Proceeding, whether pending or threatened, within thirty (30) days of receipt of a statement or statements ("Statement(s)") from the Indemnified Parties, or any of them, requesting such advances from time to time, so long as the Company has received a written undertaking of such Indemnified Parties to repay the Company the amount so advanced if it shall be finally determined that such Indemnified Parties were not entitled to indemnification hereunder. This advancement obligation shall include any refundable retainers of counsel retained by Indemnified Parties (as selected by Indemnified Parties in their sole and absolute discretion). Any Statement requesting advances shall evidence the expenses anticipated or incurred by the Indemnified Parties with reasonable particularity and may include only those expenses reasonably expected to be incurred within the 60-day period following each Statement. In the event some portion of the amounts advanced pursuant to this Section 5.1.4 is unused, or in the event a court of competent jurisdiction finally determines that the Indemnified Parties are not entitled to be indemnified against certain expenses, Indemnified Parties shall return the unused or disallowed portion of any advances within thirty (30) days of the final disposition of any Proceeding to which such advances pertain.

5.2 Indemnification of the Company. The Company agrees that no Indemnified Party shall have any liability to the Company or its respective owners, successors, heirs, parents, affiliates, security holders or creditors for any Losses, except to the extent such Losses resulted from the Company's use of the Underwriters' Information or such Indemnified Person's gross negligence or willful misconduct, breach of the Underwriting Agreement or violation of applicable law.

5.3 Contribution.

5.3.1 Contribution Rights. If such indemnification is for any reason not available or insufficient to hold an Indemnified Party harmless, the Company agrees promptly to contribute to the Losses involved in such proportion as is appropriate to reflect the relative benefits received (or anticipated to be received) by the Company, on the one hand, and by the Representative, on the other hand, with respect to this Agreement, or, if such allocation is determined by a court or arbitral tribunal to be unavailable, in such proportion as is appropriate to reflect other equitable considerations such as the relative fault of the Company on the one hand and of the Representative on the other hand; provided, however, that, to the extent permitted by applicable law, the Indemnified Parties shall not be responsible for amounts which in the aggregate are in excess of the amount of all cash fees and value of warrants or other in-kind consideration, exclusive of costs, actually received by the Representative from the Company in connection with this Agreement. Relative benefits to the Company, on the one hand, and to the Representative, on the other hand, with respect to this Agreement shall be deemed to be in the same proportion as (i) the total value received or proposed to be received by the Company in connection with the Offering, whether or not consummated, bears to (ii) all fees received or proposed to be received by the Representative in connection with the applicable engagement (including warrants or other in-kind consideration). Relative fault shall be determined, in the case of Losses arising out of or based on any untrue statement or any alleged untrue statement of a material fact or omission or alleged omission to state a material fact, by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company to the Representative and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act of 1933, as amended) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

5.3.2 Contribution Procedure. Within fifteen days after receipt by any party to this Agreement (or its representative) of notice of the commencement of any action, suit or proceeding, such party will, if a claim for contribution in respect thereof is to be made against another party ("**Contributing Party**"), notify the Contributing Party of the commencement thereof, but the omission to so notify the Contributing Party will not relieve it from any liability which it may have to any other party other than for contribution hereunder. In case any such action, suit or proceeding is brought against any party, and such party notifies a Contributing Party or its representative of the commencement thereof within the aforesaid fifteen days, the Contributing Party will be entitled to participate therein with the notifying party and any other Contributing Party similarly notified. Any such Contributing Party shall not be liable to any party seeking contribution on account of any settlement of any claim, action or proceeding affected by such party seeking contribution without the written consent of such Contributing Party. The contribution provisions contained in this Section are intended to supersede, to the extent permitted by law, any right to contribution under the Act, the Exchange Act or otherwise available. Each Underwriter's obligations to contribute pursuant to this Section 5.3 are several and not joint.

5.4 Settlement. The Company will not, without the Representative's prior written consent, settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any pending Proceeding in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party therein) unless the Company has given the Representative reasonable prior written notice thereof and such settlement, compromise, consent or termination includes an unconditional release of each Indemnified Party from any liabilities arising out of such Proceeding. The Company will not permit any such settlement, compromise, consent or termination to include a statement as to, or an admission of, fault, culpability or a failure to act by or on behalf of an Indemnified Party, without such Indemnified Party's prior written consent. No Indemnified Party seeking indemnification, reimbursement or contribution under this Agreement will, without the Company's prior written consent (which shall not be unreasonably withheld) settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Proceeding referred to herein or admit fault, culpability or failure to act by or on behalf of the Company or any Indemnified Party.

5.5 Survival; Successors. The indemnity, contribution and expense reimbursement obligations set forth herein shall be in addition to any liability the Company may have to any Indemnified Party at common law or otherwise (but not duplicative of or effective to result in any multiplicative return of Losses or of any such liability of the Company), and shall remain operative and in full force and effect notwithstanding the termination of this Agreement, the closing of the contemplated Offering, and any successor of the Representative or any other Indemnified Parties shall be entitled to the benefit of the provisions hereof. Prior to entering into any agreement or arrangement with respect to, or effecting, any merger, statutory exchange or other business combination or proposed sale or exchange, dividend or other distribution or liquidation of all or a significant portion of its assets in one or a series of transactions or any significant recapitalization or reclassification of its outstanding securities that does not directly or indirectly provide for the assumption of the obligations of the Company set forth herein, the Company will promptly notify the Representative in writing thereof and, if requested by the Representative, shall arrange in connection therewith alternative means of providing for the obligations of the Company set forth herein, including the assumption of such obligations by another party, insurance, surety bonds or the creation of an escrow, in each case in an amount and on terms and conditions reasonably satisfactory to the Representative.

6. Default by an Underwriter.

6.1 Default Not Exceeding 10% of Firm Shares or Option Shares. If any Underwriter or Underwriters shall default in its or their obligations to purchase the Firm Shares or the Option Shares, if the Over-allotment Option is exercised, hereunder, and if the number of the Firm Shares or Option Shares with respect to which such default relates does not exceed in the aggregate 10% of the number of Firm Shares or Option Shares that all Underwriters have agreed to purchase hereunder, then such Firm Shares or Option Shares to which the default relates shall be purchased by the non-defaulting Underwriters in proportion to their respective commitments hereunder.

6.2 Default Exceeding 10% of Firm Shares or Option Shares. In the event that the default addressed in Section 6.1 relates to more than 10% of the Firm Shares or Option Shares, the Representative may, in its discretion, arrange for itself or for another party or parties to purchase such Firm Shares or Option Shares to which such default relates on the terms contained herein. If, within one (1) Business Day after such default relating to more than 10% of the Firm Shares or Option Shares, the Representative does not arrange for the purchase of such Firm Shares or Option Shares, then the Company shall be entitled to a further period of one (1) Business Day within which to procure another party or parties satisfactory to the Representative to purchase said Firm Shares or Option Shares on such terms. In the event that neither the Representative nor the Company arrange for the purchase of the Firm Shares or Option Shares to which a default relates as provided in this Section 6, this Agreement will automatically be terminated by the Representative or the Company without liability on the part of the Company (except as provided in Sections 3.10 and 5 hereof) or the several Underwriters (except as provided in Section 5 hereof); provided, however, that if such default occurs with respect to the Option Shares, this Agreement will not terminate as to the Firm Shares; and provided further that nothing herein shall relieve a defaulting Underwriter of its liability, if any, to the other Underwriters and to the Company for damages occasioned by its default hereunder.

6.3 Postponement of Closing Date. In the event that the Firm Shares or Option Shares to which the default relates are to be purchased by the non-defaulting Underwriters, or are to be purchased by another party or parties as aforesaid, the Representative or the Company shall have the right to postpone the Closing Date or Option Closing Date for a reasonable period, but not in any event exceeding five (5) Business Days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment to the Registration Statement or the Prospectus that in the opinion of counsel for the Underwriter may thereby be made necessary. The term "Underwriter" as used in this Agreement shall include any party substituted under this Section 6 with like effect as if it had originally been a party to this Agreement with respect to such securities.

7. Additional Covenants.

7.1 Board Composition and Board Designations. The Company shall ensure that: (i) the qualifications of the persons serving as board members and the overall composition of the board comply with the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder and with the listing requirements of the NYSE, the NYSE MKT, NASDAQ or any other national securities exchange or national securities association, as the case may be, in the event the Company seeks to have its Public Securities listed on another exchange or quoted on an automated quotation system, and (ii) if applicable, at least one member of the board of directors qualifies as a "financial expert" as such term is defined under the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder.

7.2 Prohibition on Press Releases and Public Announcements. The Company will not issue press releases or engage in any other publicity, without prior notice to the Representative, for a period ending at 5:00 p.m. Eastern time on the first business day following the 25th day following the Closing Date, other than normal and customary releases issued in the ordinary course of the Company's business.

7.3 Blue Sky Compliance. The Company shall be responsible for the qualification or registration of the Public Securities for sale under (or obtain exemptions from the application of) the state securities or blue sky laws of those jurisdictions in the United States designated by the Representative, shall comply with such laws and shall continue such qualifications, registrations and exemptions in effect so long as required for the distribution of the shares of Common Stock, if such filings are so required. The Company shall not be required to qualify as a foreign corporation or to take any action that would subject it to general service of process in any such jurisdiction where it is not presently qualified or where it would be subject to taxation as a foreign corporation. The Company will advise the Representative promptly of the suspension of the qualification or registration of (or any such exemption relating to) the Public Securities for offering, sale or trading in any jurisdiction or any initiation or threat of any proceeding for any such purpose, and in the event of the issuance of any order suspending such qualification, registration or exemption, the Company shall use its best efforts to obtain the withdrawal thereof at the earliest possible moment. The Company, at its expense, will cause its counsel to provide to the Representative a Preliminary Blue Sky Memorandum no later than the date first public version of the Registration Statement is filed with the Commission and a Final Blue Sky Memorandum at the Effective Date, in such quantities as the Underwriter reasonably request, for its use and the use of the selling members in connection with the offer and sale of the Public Securities. The Company will, from time to time, prepare and file such statements, reports, certificates, notices and other forms and documents as are or may be required to continue such qualifications in effect for so long as the Representative may request for the distribution of the Public Securities.

7.4 Free Writing Prospectuses. Each Underwriter severally covenants with the Company not to take any action that would result in the Company being required to file with the Commission under Rule 433(d) a free writing prospectus prepared by or on behalf of such Underwriter that otherwise would not be required to be filed by the Company thereunder, but for the action of the Underwriter. Any such free writing prospectus consented to by the Company is hereinafter referred to as an "**Underwriter Free Writing Prospectus**."

8. Effective Date of this Agreement and Termination Thereof.

8.1 Effective Date. This Agreement shall become effective when both the Company and the Representative have executed the same and delivered counterparts of such signatures to the other party.

8.2 Termination. The Representative shall have the right to terminate this Agreement at any time prior to any Closing Date, (i) if any domestic or international event or act or occurrence has materially disrupted, or in the Representative's opinion will in the immediate future materially disrupt, general securities markets in the United States; or (ii) if trading on the NYSE Euronext, the NASDAQ Global Market or the NASDAQ Capital Market shall have been suspended or materially limited, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required by FINRA or by order of the Commission or any other government authority having jurisdiction, or (iii) if the United States shall have become involved in a new war or an increase in major hostilities, or (iv) if a banking moratorium has been declared by a New York State or federal authority, or (v) if a moratorium on foreign exchange trading has been declared which materially adversely impacts the United States securities markets, or (vi) if the Company shall have sustained a material loss by fire, flood, accident, hurricane, earthquake, theft, sabotage or other calamity or malicious act which, whether or not such loss shall have been insured, will, in the Representative's opinion, make it inadvisable to proceed with the delivery of the Firm Shares or Option Shares, or (vii) if the Company is in material breach of any of its representations, warranties or covenants hereunder, or (viii) if the Representative shall have become aware after the date hereof of such a material adverse change in the conditions or prospects of the Company, or such adverse material change in general market conditions as in the Representative's reasonable judgment would make it impracticable to proceed with the offering, sale and/or delivery of the securities or to enforce contracts made by the Underwriters for the sale of the securities.

8.3 Expenses. Except in the case of a default by the Underwriters pursuant to Section 6.2 above, in the event that this Agreement shall not be carried out for any reason whatsoever, within the time specified herein or any extensions thereof pursuant to the terms herein, the Company shall promptly pay the Representative its accrued but unpaid fees and unreimbursed expenses incurred up to and as of the date of termination.

9. Miscellaneous.

9.1 Notices. All notices, demands, and other communications to given pursuant to this Agreement shall be in writing and shall be personally delivered, sent by overnight delivery using a nationally recognized courier service, sent by facsimile transmission, or emailed. Notice shall be deemed received: (a) if personally delivered, upon the date of delivery to the address of the receiving party; (b) if sent by overnight courier, the date actually received by the recipient; (c) if sent by facsimile or email, when sent. The parties will each promptly notify the other of any changes to the following contact information.

Notices to the NSC shall be sent to:

National Securities Corporation
200 Vesey Street, 25th Floor
New York, NY 10281
Attention: Jonathan C. Rich
e-mail: jrich@nationalsecuritiesib.com

with a copy to:

Liquid Venture Partners, LLC
2121 Rosecrans Avenue, Suite 4305
El Segundo, CA 90245
Attention: Robert Clifford
e-mail: bclifford@liquidventure.com

with a copy (which shall not constitute notice) to:

Greenberg Traurig, LLP
18565 Jamboree Road, Suite 500
Irvine, CA 92612
Attention: Daniel Donahue
email: donahued@gtlaw.com

Notices to the Company shall be sent to:

Movano Inc.
6200 Stoneridge Mall Rd., Suite 300
Pleasanton, CA 94588
Attention: J. Cogan CFA
e-mail: jcogan@movano.com

with a copy (which shall not constitute notice) to:

K&L Gates LLP
300 South Tryon St., Suite 1000
Charlotte, North Carolina 28202
Attention: Mark R. Busch, Esq.
email: Mark.Busch@klgates.com

9.2 Section Headings. The section headings herein are for convenience of reference only, and shall not limit or otherwise affect the meaning hereof.

9.3 Entire Agreement. This Agreement sets forth the entire understanding of the parties relating to the subject matter hereof and supersedes and cancels any prior communications, understandings and agreements, whether oral or written, between the Representative and the Company including without limitation, the engagement agreement dated as of March 28, 2019 as amended. This Agreement may not be amended or modified except in writing. Neither party shall assign its rights or duties hereunder without the prior written consent of the other party, which may be withheld in the other party's sole and absolute discretion; provided however that nothing in this sentence shall impact the Representative's ability to engage in customary arrangements in connection with the formation of a selling group for the Offering. Notwithstanding the foregoing, the Representative may assign its rights to its Fees and Warrants per Section 1 to any affiliate of the Representative. This Agreement shall apply to, inure to the benefit of and be binding upon and enforceable against each of the parties and their successors and assigns.

9.4 Third Party Beneficiaries. This Agreement is intended solely for the benefit of the parties hereto and, with the exception of the rights and benefits conferred upon the Indemnified Parties by Section 5 of this Agreement, shall not be deemed or interpreted to confer any rights upon any third parties. The term "successors and assigns" shall not include a purchaser, in its capacity as such, of securities from any of the Underwriters.

9.5 Governing Law. All aspects of the relationship created by this Agreement shall be governed by and construed in accordance with the laws of the State of New York, applicable to contracts made and to be performed in New York, without regard to its conflicts of laws provisions. All actions and proceedings which are not submitted to arbitration pursuant to Section 9.6 hereof shall be heard and determined exclusively in the state and federal courts located in the Borough of Manhattan in the City of New York, and the Company, Liquid and the Representative hereby submit to the jurisdiction of such courts and irrevocably waive any defense or objection to such forum, on forum non conveniens grounds or otherwise. The parties agree to accept service of process by mail, to their principal business address, addressed to the chief executive officer and secretary thereof. The parties hereby agree that this Section 9.5 shall survive the termination and/or expiration of this Agreement.

9.6 Arbitration. Any dispute, claim or controversy arising out of or relating to this Agreement or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in New York City (with the exception of claims to enforce the indemnity provision contained herein, which may, at the option of the party seeking relief, be submitted either to arbitration or to any court of competent jurisdiction). The arbitration shall be administered either by FINRA Dispute Resolution pursuant to its Code of Arbitration Procedure, or if FINRA cannot or does not accept the arbitration, by JAMS pursuant to its Streamlined Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction. The arbitrator may, in the award, allocate all or part of the costs of the arbitration, including the fees of the arbitrator and the reasonable attorneys' fees of the prevailing party. The parties hereby agree that this Section 9.6 shall survive the termination and/or expiration of this Agreement.

9.7 Execution in Counterparts. This Agreement may be executed via facsimile transmission and may be executed in separate counterparts, each of which shall be deemed to be an original and all of which together shall constitute a single instrument.

9.8 Severability. Should any one or more covenants, restrictions and provisions contained in this Agreement be held for any reason to be void, invalid or unenforceable, in whole or in part, such unenforceability will not affect the validity of any other term of this Agreement, and the invalid provision will be binding to the fullest extent permitted by law and will be deemed amended and construed so as to meet this intent. To the extent any provision cannot be so amended or construed as a matter of law, the validity of the remaining provisions shall be deemed unaffected and the illegal or invalid provision will be deemed stricken from this Agreement.

9.9 Waiver, etc. The failure of any of the parties hereto to at any time enforce any of the provisions of this Agreement shall not be deemed or construed to be a waiver of any such provision, nor to in any way effect the validity of this Agreement or any provision hereof or the right of any of the parties hereto to thereafter enforce each and every provision of this Agreement. No waiver of any breach, non-compliance or non-fulfillment of any of the provisions of this Agreement shall be effective unless set forth in a written instrument executed by the party or parties against whom or which enforcement of such waiver is sought; and no waiver of any such breach, non-compliance or non-fulfillment shall be construed or deemed to be a waiver of any other or subsequent breach, non-compliance or non-fulfillment.

[SIGNATURE PAGE FOLLOWS]

If the foregoing correctly sets forth the understanding between the Underwriters and the Company, please so indicate in the space provided below for that purpose, whereupon this letter shall constitute a binding agreement between us.

Very truly yours,

MOVANO INC.

By: _____
Michael Leabman
President and Chief Executive Officer

Accepted on the date first above written.

NATIONAL SECURITIES CORPORATION,
as Representative of the several Underwriters

By: `
Jonathan C. Rich,
EVP – Head of Investment Banking

SCHEDULE 1

Name of Underwriter	Number of Firm Shares
National Securities Corporation	

SCHEDULE 2

Excluded Investors

Emily Fairbairn
Malcolm Fairbairn
Ascend Capital
Transcend Partners
Valley High Partners
Rahul Ghandi
Charles Kim
Dvine Wave Trust
Dvine Wave Holdings LLC
SilverData Holdings
Michael Leabman
Leabman Holdings LLC
Leabman Children's Trust

Exhibit 3.3

THIRD AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
MOVANO INC.

The present name of the corporation is Movano Inc. The corporation was incorporated under the name "Maestro Sensors Inc." by the filing of its original Certificate of Incorporation with the Secretary of State of the State of Delaware on January 30, 2018. This Third Amended and Restated Certificate of Incorporation of the corporation, which restates and integrates and also further amends the provisions of the corporation's Certificate of Incorporation was duly adopted in accordance with the provisions of Sections 242 and 245 of the Delaware General Corporation Law and by the written (or electronic) consent of its stockholders in accordance with Section 228 of the Delaware General Corporation Law. The Certificate of Incorporation of the corporation is hereby amended, integrated and restated to read in its entirety as follows:

FIRST: The name of the corporation (the "Corporation") is:

Movano Inc.

SECOND: The address of the Corporation's registered office in the State of Delaware is 251 Little Falls Drive, Wilmington, County of New Castle, Delaware 19808. The registered agent at such address is Corporation Service Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law (the "DGCL").

FOURTH: The total number of shares of stock that the Corporation shall have authority to issue shall be eighty million shares, consisting of seventy-five million shares of Common Stock, par value $0.0001 per share (the "Common Stock"), and five million shares of Preferred Stock, par value $0.0001 per share (the "Preferred Stock"). Subject to the rights of the holders of any series of Preferred Stock then outstanding, the number of authorized shares of the Common Stock or Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority in voting power of the stock of the Corporation entitled to vote thereon, irrespective of the provisions of Section 242(b)(2) of the DGCL, and no vote of the holders of any of the Common Stock or Preferred Stock voting separately as a class shall be required therefor.

A. COMMON STOCK

1. GENERAL. All shares of Common Stock will be identical and will entitle the holders thereof to the same rights, powers and preferences. The rights, powers and preferences of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of holders of the Preferred Stock.

2. DIVIDENDS. Dividends may be declared and paid on the Common Stock from funds lawfully available therefor as and when determined by the Board of Directors and subject to any preferential dividend rights of any then outstanding Preferred Stock.

3. DISSOLUTION, LIQUIDATION OR WINDING UP. In the event of any dissolution, liquidation or winding up of the affairs of the Corporation, whether voluntary or involuntary, each issued and outstanding share of Common Stock shall entitle the holder thereof to receive an equal portion of the assets of the Corporation available for distribution to the holders of Common Stock, subject to any preferential rights of any then outstanding Preferred Stock.

4. VOTING RIGHTS. Except as otherwise required by law or this Third Amended and Restated Certificate of Incorporation ("Certificate of Incorporation"), each holder of Common Stock shall have one vote in respect of each share of stock held of record by such holder on the books of the Corporation for the election of directors and on all matters submitted to a vote of stockholders of the Corporation. Except as otherwise required by law or provided herein, holders of Common Stock shall vote together with holders of the Preferred Stock as a single class, subject to any special or preferential voting rights of any then outstanding Preferred Stock. Notwithstanding the foregoing, except as otherwise required by law, holders of Common Stock shall not be entitled to vote on any amendment to this Certificate of Incorporation (including any Certificate of Designation (as defined below in Part B. of this Article FOURTH) filed with respect to any series of Preferred Stock) that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together as a class with the holders of one or more other such series, to vote thereon by law or pursuant to this Certificate of Incorporation (including any Certificate of Designation filed with respect to any series of Preferred Stock). There shall be no cumulative voting.

B. PREFERRED STOCK

The Preferred Stock may be issued in one or more series at such time or times and for such consideration or considerations as the Board of Directors of the Corporation may determine. Each series shall be so designated as to distinguish the shares thereof from the shares of all other series and classes. Except as otherwise provided in this Certificate of Incorporation or applicable law, different series of Preferred Stock shall not be construed to constitute different classes of shares for the purpose of voting by classes.

The Board of Directors is expressly authorized to provide for the issuance of all or any shares of the undesignated Preferred Stock in one or more series, each with such designations, preferences, voting powers (or special, preferential or no voting powers), relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof as shall be stated in the resolution or resolutions adopted by the Board of Directors to create such series, and a certificate of said resolution or resolutions (a "Certificate of Designation") shall be filed in accordance with the DGCL. The authority of the Board of Directors with respect to each such series shall include, without limitation of the foregoing, the right to provide that the shares of each such series may be: (i) subject to redemption at such time or times and at such price or prices; (ii) entitled to receive dividends (which may be cumulative or non-cumulative) at such rates, on such conditions, and at such times, and payable in preference to, or in such relation to, the dividends payable on any other class or classes or any other series; (iii) entitled to such rights upon the dissolution of, or upon any distribution of the assets of, the Corporation; (iv) convertible into, or exchangeable for, shares of any other class or classes of stock, or of any other series of the same or any other class or classes of stock of the Corporation at such price or prices or at such rates of exchange and with such adjustments, if any; (v) entitled to the benefit of such limitations, if any, on the issuance of additional shares of such series or shares of any other series of Preferred Stock; or (vi) entitled to such other preferences, powers, qualifications and rights, all as the Board of Directors may deem advisable and as are not inconsistent with law and the provisions of this Certificate of Incorporation.

FIFTH:

1. NUMBER OF DIRECTORS. The number of directors of the Corporation shall be determined exclusively by resolution adopted by a majority of the Whole Board. For purposes of this Certificate of Incorporation, the term "Whole Board" means the total number of authorized directors whether or not there exists any vacancies in previously authorized directorships.

2. CLASSES OF DIRECTORS. The members of the Board of Directors (other than those directors elected by the holders of any series of Preferred Stock provided for or fixed pursuant to the provisions of Article FOURTH hereof) shall be divided into three classes, as nearly equal in number as possible, designated Class I, Class II and Class III. Class I directors shall initially serve until the first annual meeting of stockholders following the effectiveness of this Certificate of Incorporation; Class II directors shall initially serve until the second annual meeting of stockholders following the effectiveness of this Certificate of Incorporation; and Class III directors shall initially serve until the third annual meeting of stockholders following the effectiveness of this Certificate of Incorporation. Commencing with the first annual meeting of stockholders following the effectiveness of this Certificate of Incorporation, directors of each class the term of which shall then expire shall be elected to hold office until the third annual meeting following their election and until the election and qualification of their respective successors in office or until their earlier resignation or removal. The Board of Directors is authorized to assign members of the Board of Directors already in office to Class I, Class II or Class III.

3. ELECTION OF DIRECTORS. Unless required by the Bylaws, the election of the Board of Directors need not be by written ballot.

4. VACANCIES AND NEWLY CREATED DIRECTORSHIPS. Any vacancy in the Board of Directors, however occurring, and any newly created directorship resulting from an enlargement of the Board of Directors, may be filled only by vote of a majority of the directors then in office, even if less than a quorum, or by a sole remaining director.

SIXTH: The following provisions are included for the management of the business and the conduct of the affairs of the Corporation, and for further definition, limitation and regulation of the powers of the Corporation and of its Board of Directors and stockholders:

1. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors of the Corporation.

2. The Board of Directors of the Corporation is expressly authorized to adopt, amend or repeal the Bylaws of the Corporation. The stockholders shall also have the power to adopt, amend or repeal the Bylaws of the Corporation; PROVIDED, HOWEVER, that, in addition to any vote of the holders of any class or series of stock of the Corporation required by law, a Certificate of Designation or by this Certificate of Incorporation, the amendment of the Bylaws by the Corporation's stockholders shall require the affirmative vote of the holders of at least two-thirds (66 2/3%) of the voting power of all of the then outstanding shares of the capital stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class.

3. The books of the Corporation may be kept at such place within or without the State of Delaware as the Bylaws of the Corporation may provide or as may be designated from time to time by the Board of Directors of the Corporation.

SEVENTH: Subject to the rights of any series of Preferred Stock, no action shall be taken by the stockholders of the Corporation except at a duly called annual or special meeting of stockholders of the Corporation and no action shall be taken by the stockholders by written consent. Special meetings of stockholders may be called only on the order of a majority of the Whole Board, the Chairman of the Board, the Chief Executive Officer or the President (in the absence of a chief executive officer). Advance notice of stockholder nominations for the election of directors of the Corporation and of business to be brought by stockholders before any meeting of stockholders of the Corporation shall be given in the manner provided in the Bylaws of the Corporation. Business transacted at special meetings of stockholders shall be confined to the purpose or purposes stated in the notice of meeting.

EIGHTH: The Corporation shall indemnify (and advance expenses to) its officers and directors in the manner provided in the Bylaws.

NINTH: No director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, for any act or omission, except that a director may be liable (i) for breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit. If the DGCL is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of the directors shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. The elimination and limitation of liability provided herein shall continue after a director has ceased to occupy such position as to acts or omissions occurring during such director's term or terms of office. Any amendment, repeal or modification of this Article NINTH shall not adversely affect any right of protection of a director of the Corporation existing at the time of such repeal or modification.

TENTH:

1. Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for all "internal corporate claims." "Internal corporate claims" means claims, including claims in the right of the Corporation, (i) that are based upon a violation of a duty by a current or former director or officer or stockholder in such capacity or (ii) as to which Title 8 of the Delaware Code confers jurisdiction upon the Court of Chancery, except for, as to each of (i) through (ii) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction; provided, however, if (and only if) the Court of Chancery declines to accept jurisdiction over a particular matter, the U.S. District Court for the District of Delaware shall be the sole and exclusive forum for all internal corporate claims unless the Corporation consents in writing to the selection of an alternative forum; provided, however, if (and only if) the U.S. District Court for the District of Delaware declines to accept jurisdiction over a particular matter, the Superior Court of the State of Delaware (Complex Commercial Litigation Division) shall be the sole and exclusive forum for all internal corporate claims unless the Corporation consents in writing to the selection of an alternative forum.

2. Unless the Corporation consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act of 1933.

3. If any provision or provisions of this Article TENTH shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article TENTH (including, without limitation, each portion of any sentence of this Article TENTH containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby. Any person or entity purchasing or otherwise acquiring any interest in any security of the Corporation shall be deemed to have notice of and consented to this Article TENTH.

4. Notwithstanding the foregoing, this Article TENTH shall not apply to claims seeking to enforce any liability or duty created by the Securities Exchange Act of 1934, as amended.

ELEVENTH: The Corporation reserves the right to amend, alter, change or repeal any provision contained in this Certificate of Incorporation, in the manner now or hereafter prescribed by statute, and all rights conferred upon stockholders herein are granted subject to this reservation; provided, however, that, notwithstanding any other provision of the Certificate of Incorporation or any provision of law that might otherwise permit a lesser vote or no vote, but in addition to any vote of the holders of any class or series of the stock of the Corporation required by law or by this Certificate of Incorporation, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66 2/3%) of the voting power of the outstanding shares of stock of the Corporation entitled to vote generally in the election of directors, voting together as a single class, shall be required to amend or repeal, or adopt any provision of this Certificate of Incorporation inconsistent with Article FIFTH, Article SIXTH, Article SEVENTH, Article NINTH, Article TENTH or this Article ELEVENTH.

Name: Jeremy Cogan
Chief Financial Officer

DATED: [●], 2021

Exhibit 3.4

AMENDED AND RESTATED

BYLAWS OF MOVANO INC.

ARTICLE I

Meeting of Stockholders

Section 1.1. *Annual Meetings*. If required by applicable law, an annual meeting of stockholders shall be held for the election of directors at such date, time and place, if any, either within or without the State of Delaware, as may be designated by resolution of the board of directors (the "Board of Directors") of Movano Inc. (the "Corporation") from time to time. Any other proper business may be transacted at the annual meeting.

Section 1.2. *Special Meetings*. Special meetings of stockholders for any purpose or purposes may, unless otherwise prescribed by statute or by the Corporation's certificate of incorporation, as amended, restated, supplemented or otherwise modified (the "Certificate of Incorporation"), be called at any time by the order of a majority of the Whole Board, the Chairman of the Board, the Chief Executive Officer or the President (in the absence of a chief executive officer), but such special meetings may not be called by any other person or persons. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice. For purposes of these bylaws, the term "Whole Board" shall mean the total number of authorized directors whether or not there exist any vacancies in previously authorized directorships.

Section 1.3. *Notice of Meetings*. Whenever stockholders are required or permitted to take any action at a meeting, a notice of the meeting shall be given that shall state the place, if any, date and hour of the meeting, 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 meeting, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting) and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Unless otherwise provided by law, the Certificate of Incorporation or these bylaws, the notice of any meeting shall be given not less than ten (10) nor more than sixty (60) days before the date of the meeting to each stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail, postage prepaid, directed to the stockholder at such stockholder's address as it appears on the records of the Corporation.

Section 1.4. *Adjournments*. 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 any such adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken. At the adjourned meeting the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than thirty (30) days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date for determination of stockholders entitled to vote is fixed for the adjourned meeting, the Board of Directors shall fix as the record date for determining stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote at the adjourned meeting, and shall give notice of the adjourned meeting to each stockholder of record as of the record date so fixed for notice of such adjourned meeting.

Section 1.5. *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 not less than one-third in voting power of the outstanding shares of stock entitled to vote at the meeting shall be necessary and sufficient to constitute a quorum. In the absence of a quorum, then either (i) the chairperson of the meeting or (ii) the stockholders so present (in person or by proxy) and entitled to vote may adjourn the meeting from time to time in the manner provided in Section 1.4 of these bylaws until a quorum shall attend. Shares of its own stock belonging to the Corporation or to another corporation, if a majority of the shares entitled to vote in the election of directors of such other corporation is held, directly or indirectly, by the Corporation, shall neither be entitled to vote nor be counted for quorum purposes; provided, however, that the foregoing shall not limit the right of the Corporation or any subsidiary of the Corporation to vote stock, including but not limited to its own stock, held by it in a fiduciary capacity.

Section 1.6. *Organization*. Meetings of stockholders shall be presided over by the Chairman of the Board of Directors 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 chairman designated by the Board of Directors or, in the absence of such designation, by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 1.7. *Voting; Proxies*. Except as otherwise provided by or pursuant to the provisions of the Certificate of Incorporation, each stockholder entitled to vote at any meeting of stockholders shall be entitled to one vote for each share of stock held by such stockholder which has voting power upon the matter in question. Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy which is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary of the Corporation a revocation of the proxy or a new proxy bearing a later date. Voting at meetings of stockholders need not be by written ballot. At all meetings of stockholders for the election of directors at which a quorum is present a plurality of the votes cast shall be sufficient to elect. All other elections and questions presented to the stockholders at a meeting at which a quorum is present shall, unless otherwise provided by the Certificate of Incorporation, these bylaws, the rules or regulations of any stock exchange applicable to the Corporation, or applicable law or pursuant to any regulation applicable to the Corporation or its securities, be decided by the affirmative vote of the holders of a majority in voting power of the shares of stock of the Corporation which are present in person or by proxy and entitled to vote thereon.

Section 1.8. *Fixing Date for Determination of Stockholders of Record*.

(a) In order that the Corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, 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 shall, unless otherwise required by law, not be more than sixty (60) nor less than ten (10) days before the date of such meeting. If the Board of Directors so fixes a date, such date shall also be the record date for determining the stockholders entitled to vote at such meeting unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for making such determination. If no record date is fixed by the Board of Directors, 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. 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 determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for determination of stockholders entitled to vote in accordance herewith at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders 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 shall not be more than sixty (60) days prior to such other action. If no such record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 1.9. *List of Stockholders Entitled to Vote*. The Corporation shall prepare and make, at least ten (10) days before every meeting of stockholders, a complete list of the stockholders entitled to vote at the meeting (provided, however, if the record date for determining the stockholders entitled to vote is less than ten (10) days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting at least ten (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 meeting or (ii) during ordinary business hours at the principal place of business of the Corporation. If the meeting is to be held at a place, then a list of stockholders entitled to vote at the meeting shall be produced and kept at the time and place of the meeting during the whole time thereof and may be examined 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. Except as otherwise provided by law, the stock ledger shall be the only evidence as to who are the stockholders entitled to examine the list of stockholders required by this Section 1.9 or to vote in person or by proxy at any meeting of stockholders.

Section 1.10. *Informal Action of Stockholders*. No action shall be taken by the stockholders except at an annual or special meeting of stockholders called in accordance with these Bylaws, and no action shall be taken by the stockholders by written consent or by electronic transmission.

Section 1.11. *Inspectors of Election*. The Corporation shall, in advance of any meeting of stockholders, appoint one or more inspectors of election, who may be employees of the Corporation, to act at the meeting or any adjournment thereof and to make a written report thereof. The Corporation may designate one or more persons as alternate inspectors to replace any inspector who fails to act. In the event that no inspector so appointed or designated is able to act at a meeting of stockholders, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath to execute faithfully the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors so appointed or designated shall (i) ascertain the number of shares of capital stock of the Corporation outstanding and the voting power of each such share, (ii) determine the shares of capital stock of the Corporation represented at the meeting and the validity of proxies and ballots, (iii) count all votes and ballots, (iv) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors, and (v) certify their determination of the number of shares of capital stock of the Corporation represented at the meeting and such inspectors' count of all votes and ballots. Such certification and report shall specify such other information as may be required by law. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders of the Corporation, the inspectors may consider such information as is permitted by applicable law. No person who is a candidate for an office at an election may serve as an inspector at such election.

Section 1.12. *Conduct of Meetings*. The date and time of the opening and the closing of the polls for each matter upon which the stockholders will vote at a meeting shall be announced at the meeting by the person presiding over the meeting. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of stockholders as it shall deem appropriate. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the person presiding over any meeting of stockholders shall have the right and authority to convene and (for any or no reason) to adjourn the meeting, to prescribe such rules, regulations and procedures and to do all such acts as, in the judgment of such presiding person, are appropriate for the proper conduct of the meeting. Such rules, regulations or procedures, whether adopted by the Board of Directors or prescribed by the presiding person of the meeting, may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) rules and procedures for maintaining order at the meeting and the safety of those present; (iii) limitations on attendance at or participation in the meeting to stockholders entitled to vote at the meeting, their duly authorized and constituted proxies or such other persons as the presiding person of the meeting shall determine; (iv) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (v) limitations on the time allotted to questions or comments by participants. The presiding person at any meeting of stockholders, in addition to making any other determinations that may be appropriate to the conduct of the meeting, shall, if the facts warrant, determine and declare to the meeting that a matter or business was not properly brought before the meeting and if such presiding person should so determine, such presiding person shall so declare to the meeting and any such matter or business not properly brought before the meeting shall not be transacted or considered. Unless and to the extent determined by the Board of Directors or the person presiding over the meeting, meetings of stockholders shall not be required to be held in accordance with the rules of parliamentary procedure.

Section 1.13. *Notice of Stockholder Business and Nominations*.

(A) *Annual Meetings of Stockholders*. (1) Nominations of persons for election to the Board of Directors of the Corporation and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders only (a) pursuant to the Corporation's notice of meeting (or any supplement thereto), (b) by or at the direction of the Board of Directors or any committee thereof or (c) by any stockholder of the Corporation who was a stockholder of record of the Corporation at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and who complies with the notice procedures set forth in this Section 1.13.

(2) For any nominations or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (c) of paragraph (A)(1) of this Section 1.13, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation and any such proposed business (other than the nominations of persons for election to the Board of Directors) must constitute a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the ninetieth (90^{th}) day, nor earlier than the close of business on the one hundred twentieth (120^{th}) day, prior to the first anniversary of the preceding year's annual meeting (provided, however, that in the event that no annual meeting was held in the previous year or if the date of the annual meeting is more than thirty (30) days before or more than seventy (70) days after such anniversary date, notice by the stockholder must be so delivered not earlier than the close of business on the one hundred twentieth (120^{th}) day prior to such annual meeting and not later than the close of business on the later of the ninetieth (90^{th}) day prior to such annual meeting or the tenth (10^{th}) day following the day on which public announcement of the date of such meeting is first made by the Corporation). In no event shall the public announcement of an adjournment or postponement of an annual meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above. Such stockholder's notice shall set forth: (a) as to each person whom the stockholder proposes to nominate for election as a director (i) all information relating to such person that is required to be disclosed in solicitations of proxies for election of directors in an election contest, or is otherwise required, in each case pursuant to and in accordance with Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder, and (ii) such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected; (b) as to any other business that the stockholder proposes to bring before the meeting, a brief description of the business desired to be brought before the meeting, the text of the proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend the bylaws of the Corporation, the language of the proposed amendment), the reasons for conducting such business at the meeting and any material interest in such business of such stockholder and the beneficial owner, if any, on whose behalf the proposal is made; and (c) as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (i) the name and address of such stockholder, as they appear on the Corporation's books, and of such beneficial owner, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially and of record by such stockholder and such beneficial owner, (iii) a description of any agreement, arrangement or understanding with respect to the nomination or proposal between or among such stockholder and/or such beneficial owner, any of their respective affiliates or associates, and any others acting in concert with any of the foregoing, including, in the case of a nomination, the nominee, (iv) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and such beneficial owners, whether or not such instrument or right shall be subject to settlement in underlying shares of capital stock of the Corporation, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of, such stockholder or such beneficial owner, with respect to securities of the Corporation, (v) a representation that the stockholder is a holder of record of stock of the Corporation entitled to vote at such meeting and intends to appear in person or by proxy at the meeting to propose such business or nomination, (vi) a representation whether the stockholder or the beneficial owner, if any, intends or is part of a group which intends (a) to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve or adopt the proposal or elect the nominee and/or (b) otherwise to solicit proxies or votes from stockholders in support of such proposal or nomination, and (vii) any other information relating to such stockholder and beneficial owner, if any, required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in an election contest pursuant to and in accordance with Section 14(a) of the Exchange Act and the rules and regulations promulgated thereunder. The foregoing notice requirements of this Section 1.13 shall be deemed satisfied by a stockholder with respect to business other than a nomination if the stockholder has notified the Corporation of his, her or its intention to present a proposal at an annual meeting in compliance with applicable rules and regulations promulgated under the Exchange Act and such stockholder's proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such annual meeting. The Corporation may require any proposed nominee to furnish such other information as the Corporation may reasonably require to determine the eligibility of such proposed nominee to serve as a director of the Corporation.

(3) Notwithstanding anything in the second sentence of paragraph (A)(2) of this Section 1.13 to the contrary, in the event that the number of directors to be elected to the Board of Directors of the Corporation at the annual meeting is increased effective after the time period for which nominations would otherwise be due under paragraph (A)(2) of this Section 1.13 and there is no public announcement by the Corporation naming the nominees for the additional directorships at least one hundred (100) days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Section 1.13 shall also be considered timely, but only with respect to nominees for the additional directorships, if it shall be delivered to the Secretary at the principal executive offices of the Corporation not later than the close of business on the tenth (10^{th}) day following the day on which such public announcement is first made by the Corporation.

(B) *Special Meetings of Stockholders*. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Corporation's notice of meeting (1) by or at the direction of the Board of Directors or any committee thereof or (2) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 1.13 is delivered to the Secretary of the Corporation, who is entitled to vote at the meeting and upon such election and who complies with the notice procedures set forth in this Section 1.13. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if the stockholder's notice required by paragraph (A)(2) of this Section 1.13 shall be delivered to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the one hundred twentieth (120^{th}) day prior to such special meeting and not later than the close of business on the later of the ninetieth (90^{th}) day prior to such special meeting or the tenth (10^{th}) day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the public announcement of an adjournment or postponement of a special meeting commence a new time period (or extend any time period) for the giving of a stockholder's notice as described above.

(C) *General*. (1) Except as otherwise expressly provided in any applicable rule or regulation promulgated under the Exchange Act, only such persons who are nominated in accordance with the procedures set forth in this Section 1.13 shall be eligible to be elected at an annual or special meeting of stockholders of the Corporation to serve as directors and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Section 1.13. Except as otherwise provided by law, the chairman of the meeting shall have the power and duty (a) to determine whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Section 1.13 (including whether the stockholder or beneficial owner, if any, on whose behalf the nomination or proposal is made solicited (or is part of a group which solicited) or did not so solicit, as the case may be, proxies or votes in support of such stockholder's nominee or proposal in compliance with such stockholder's representation as required by clause (A)(2)(c)(vi) of this Section 1.13) and (b) if any proposed nomination or business was not made or proposed in compliance with this Section 1.13, to declare that such nomination shall be disregarded or that such proposed business shall not be transacted. Notwithstanding the foregoing provisions of this Section 1.13, unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Corporation to present a nomination or proposed business, such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Corporation. For purposes of this Section 1.13, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing executed by such stockholder or an electronic transmission delivered by such stockholder to act for such stockholder as proxy at the meeting of stockholders and such person must produce such writing or electronic transmission, or a reliable reproduction of the writing or electronic transmission, at the meeting of stockholders.

(2) For purposes of this Section 1.13, "public announcement" shall include disclosure in a press release reported by the Dow Jones News Service, Associated Press or other national news service or in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

(3) Notwithstanding the foregoing provisions of this Section 1.13, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations promulgated thereunder with respect to the matters set forth in this Section 1.13; provided however, that any references in these bylaws to the Exchange Act or the rules and regulations promulgated thereunder are not intended to and shall not limit any requirements applicable to nominations or proposals as to any other business to be considered pursuant to this Section 1.13 (including paragraphs (A)(1)(c) and (B) hereof), and compliance with paragraphs (A)(1)(c) and (B) of this Section 1.13 shall be the exclusive means for a stockholder to make nominations or submit other business (other than, as provided in the penultimate sentence of (A)(2), business other than nominations brought properly under and in compliance with Rule 14a-8 of the Exchange Act, as may be amended from time to time). Nothing in this Section 1.13 shall be deemed to affect any rights (a) of stockholders to request inclusion of proposals or nominations in the Corporation's proxy statement pursuant to applicable rules and regulations promulgated under the Exchange Act or (b) of the holders of any series of Preferred Stock to elect directors pursuant to any applicable provisions of the Certificate of Incorporation.

ARTICLE II

Board of Directors

Section 2.1. *Number; Qualifications*. Subject to the Certificate of Incorporation, the Board of Directors shall consist of one or more members, the number thereof to be determined from time to time by resolution of the Whole Board. Directors need not be stockholders.

Section 2.2. *Election; Resignation; Vacancies*. The Board of Directors shall be divided into such classes and shall serve for such terms as are set forth in the Certificate of Incorporation. Any director may resign at any time upon notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect when such notice is given unless the notice specifies (a) a later effective date, or (b) an effective date determined upon the happening of an event or events, such as the failure to receive the required vote for reelection as a director and the acceptance of such resignation by the Board of Directors. Unless otherwise specified in the notice of resignation, the acceptance of such resignation shall not be necessary to make it effective. Unless otherwise provided by law or the Certificate of Incorporation, any newly created directorship or any vacancy occurring in the Board of Directors for any cause may be filled only by a majority of the remaining members of the Board of Directors, although such majority is less than a quorum or by a sole remaining director, and each director so elected shall hold office until the expiration of the term of office of the director whom he or she has replaced or until his or her successor is elected and qualified.

Section 2.3. *Regular Meetings*. Regular meetings of the Board of Directors may be held at such places within or without the State of Delaware and at such times as the Board of Directors may from time to time determine.

Section 2.4. *Special Meetings*. Special meetings of the Board of Directors may be held at any time or place within or without the State of Delaware whenever called by the Chief Executive Officer, the Secretary, or by any two members of the Board of Directors. Notice of the place, date and time of each special meeting shall be given to each director either by first class United States mail at least three days before such special meeting, or by overnight mail, courier service, electronic transmission, or hand delivery at least forty-eight hours before the special meeting or such shorter period as is reasonable under the circumstances. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 2.5. *Telephonic Meetings Permitted*. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting thereof by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and participation in a meeting pursuant to this bylaw shall constitute presence in person at such meeting.

Section 2.6. *Quorum; Vote Required for Action*. At all meetings of the Board of Directors the directors entitled to cast a majority of the votes of the whole Board of Directors shall constitute a quorum for the transaction of business. Except in cases in which the Certificate of Incorporation, these bylaws or applicable law otherwise provides, a majority of the votes entitled to be cast by the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 2.7. *Organization*. Meetings of the Board of Directors shall be presided over by the Chairman of the Board of Directors or, in his or her absence, by a chairman chosen at the meeting. The Secretary shall act as secretary of the meeting, but in his or her absence, the chairman of the meeting may appoint any person to act as secretary of the meeting.

Section 2.8. *Action by Unanimous Consent of Directors*. 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 of Directors, or of any committee thereof, may be taken without a meeting if all members of the Board of Directors or such committee, as the case may be, consent thereto in writing or by electronic transmission and the writing or writings or electronic transmissions are filed with the minutes of proceedings of the board or committee in accordance with applicable law.

Section 2.9. *Chairman of the Board and Vice-Chairman of the Board*. The Board of Directors may elect one or more of its members to serve as Chairman or Vice-Chairman of the Board and may fill any vacancy in such position at such time and in such manner as the Board of Directors shall determine. The Chairman of the Board, if any, shall preside at all meetings of the Board of Directors at which he or she is present and shall perform such duties and possess such powers as are designated by the Board of Directors. If the Board of Directors appoints a Vice-Chairman of the Board, he or she shall, in the absence or disability of the Chairman of the Board, perform the duties and exercise the powers of the Chairman of the Board and shall perform such other duties and possess such other powers as may from time to time be designated by the Board of Directors. The fact that a person serves as either Chairman of Vice-Chairman of the Board shall not make such person considered an Officer of the Corporation.

ARTICLE III

Committees

Section 3.1. *Committees*. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors 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 the committee, the member or members thereof present at any meeting and not disqualified from voting, whether or not he, she or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in place of any such absent or disqualified member. Any such committee, to the extent permitted by law and to the extent provided in the resolution of the Board of Directors, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it.

Section 3.2. *Committee Rules*. Unless the Board of Directors otherwise provides, each committee designated by the Board of Directors may make, alter and repeal rules for the conduct of its business. In the absence of such rules each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to Article II of these bylaws.

ARTICLE IV

Officers

Section 4.1 *Officers*. The officers of the Corporation shall consist of a Chief Executive Officer, a Chief Financial Officer, a President, one or more Vice Presidents, a Secretary, a Treasurer and such other officers as the Board of Directors may from time to time determine, which may include, without limitation, one or more Vice Presidents, Assistant Secretaries or Assistant Treasurers. Each of the Corporation's officers shall be elected by the Board of Directors, each to have such authority, functions or duties as set forth in these bylaws or as determined by the Board of Directors. Each officer shall be chosen by the Board of Directors and shall hold office for such term as may be prescribed by the Board of Directors and until such person's successor shall have been duly chosen and qualified, or until such person's earlier death, disqualification, resignation or removal.

Section 4.2 *Removal, Resignation and Vacancies*. Any officer of the Corporation may be removed, with or without cause, by the Board of Directors, without prejudice to the rights, if any, of such officer under any contract to which it is a party. Any officer may resign at any time upon written notice to the Corporation, without prejudice to the rights, if any, of the Corporation under any contract to which such officer is a party. If any vacancy occurs in any office of the Corporation, the Board of Directors may elect a successor to fill such vacancy for the remainder of the unexpired term and until a successor shall have been duly chosen and qualified.

Section 4.3 *Chief Executive Officer*. The Chief Executive Officer shall have general supervision and direction of the business and affairs of the Corporation, shall be responsible for corporate policy and strategy, and shall report directly to the Chairman of the Board of Directors. Unless otherwise provided in these bylaws, all other officers of the Corporation shall report directly to the Chief Executive Officer or as otherwise determined by the Chief Executive Officer. The Chief Executive Officer shall, if present and in the absence of the Chairman of the Board of Directors, preside at meetings of the stockholders and of the Board of Directors.

Section 4.4 *President*. The President shall be the chief operating officer of the Corporation, with general responsibility for the management and control of the operations of the Corporation. The President shall have the power to affix the signature of the Corporation to all contracts that have been authorized by the Board of Directors or the Chief Executive Officer. The President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine. In the absence of a separately appointed President, the Chief Executive Officer shall be the President.

Section 4.5 *Chief Financial Officer*. The Chief Financial Officer shall exercise all the powers and perform the duties of the office of the chief financial officer and in general have overall supervision of the financial operations of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital retained earnings, and shares. The Chief Financial Officer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine. In the absence of a separately appointed Treasurer, the Chief Financial Officer shall be the Treasurer.

Section 4.6 *Vice Presidents*. The Vice President shall have such powers and duties as shall be prescribed by his or her superior officer or the Chief Executive Officer. A Vice President shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.7 *Treasurer*. The Treasurer shall supervise and be responsible for all the funds and securities of the Corporation, the deposit of all moneys and other valuables to the credit of the Corporation in depositories of the Corporation, borrowings and compliance with the provisions of all indentures, agreements and instruments governing such borrowings to which the Corporation is a party, the disbursement of funds of the Corporation and the investment of its funds, and in general shall perform all of the duties incident to the office of the Treasurer. The Treasurer shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.8 *Secretary*. The powers and duties of the Secretary are to: (i) act as Secretary at all meetings of the Board of Directors, of the committees of the Board of Directors and of the stockholders and to record the proceedings of such meetings in a book or books to be kept for that purpose; (ii) see that all notices required to be given by the Corporation are duly given and served; (iii) act as custodian of the seal of the Corporation and affix the seal or cause it to be affixed to all certificates of stock of the Corporation and to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these bylaws; (iv) have charge of the books, records and papers of the Corporation and see that the reports, statements and other documents required by law to be kept and filed are properly kept and filed; and (v) perform all of the duties incident to the office of Secretary. The Secretary shall, when requested, counsel with and advise the other officers of the Corporation and shall perform such other duties as such officer may agree with the Chief Executive Officer or as the Board of Directors may from time to time determine.

Section 4.9 *Additional Matters*. The Chief Executive Officer and the Chief Financial Officer of the Corporation shall have the authority to designate employees of the Corporation to have the title of Vice President, Assistant Vice President, Assistant Treasurer or Assistant Secretary. Any employee so designated shall have the powers and duties determined by the officer making such designation. The persons upon whom such titles are conferred shall not be deemed officers of the Corporation unless elected by the Board of Directors.

Section 4.10 *Execution of Contracts and Instruments*. All contracts, deeds, mortgages, bonds, certificates, checks, drafts, bills of exchange, notes and other instruments or documents to be executed by or in the name of the Corporation shall be signed on the corporation's behalf by such officer or officers, or other person or persons, as may be so authorized (i) by the Board of Directors, or (ii) subject to such limitations, if any, as the Board of Directors may impose, by the Chief Executive Officer. Such authority may be general or confined to specific instances and, if the Board of Directors or Chief Executive Officer (whichever grants authority) so authorizes or otherwise directs, may be delegated by the authorized officers to other persons. Unless otherwise provided in such resolution, any resolution of the Board of Directors or a committee thereof authorizing the Corporation to enter into any such instruments or documents or authorizing their execution by or on behalf of the Corporation shall be deemed to authorize the execution thereof on its behalf by the Chief Executive Officer, the President, Chief Financial Officer or any Vice President (an "Authorized Officer"). Furthermore, each Authorized Officer shall be authorized to enter into any contract or execute any instrument in the name of and on behalf of the Corporation in matters arising in the ordinary course of the Corporation's business and to the extent incident to the normal performance of such Authorized Officer's duties.

ARTICLE V

Stock

Section 5.1. *Certificates*. The shares of the Corporation may be certificated or uncertificated in accordance with the Delaware General Corporation Law, and shall be entered in the books of the Corporation and registered as they are issued. The issue of shares in uncertificated form shall not affect shares represented by a certificate until the certificate is surrendered to the Corporation. Any certificates representing shares of the Corporation's stock shall be in such form as may be prescribed by law and by the Board of Directors, certifying the number and class of shares owned by such stockholder in the Corporation. Every holder of stock represented by certificates shall be entitled to have a certificate signed by any two authorized officers of the Corporation certifying the number of shares owned by such holder in the Corporation. Any of or all 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 shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the Corporation with the same effect as if such person were such officer, transfer agent, or registrar at the date of issue.

Section 5.2. *Lost, Stolen or Destroyed Stock Certificates; Issuance of New Certificates*. The Corporation may issue (i) a new certificate of stock or (ii) uncertificated shares in the place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Corporation may require the owner of the lost, stolen or destroyed certificate, or such owner's legal representative, to give the Corporation 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.

ARTICLE VI

Indemnification and Advancement of Expenses

Section 6.1. *Right to Indemnification*. The Corporation shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (a "Covered Person") 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 or officer of the Corporation or, while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Covered Person. Notwithstanding the preceding sentence, except as otherwise provided in Section 6.3, the Corporation shall be required to indemnify a Covered Person in connection with a proceeding (or part thereof) commenced by such Covered Person only if the commencement of such proceeding (or part thereof) by the Covered Person was authorized in the specific case by the Board of Directors of the Corporation.

Section 6.2. *Prepayment of Expenses*. The Corporation shall to the fullest extent not prohibited by applicable law pay the expenses (including attorneys' fees) incurred by a Covered Person in defending any proceeding in advance of its final disposition, *provided*, *however*, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the Covered Person to repay all amounts advanced if it should be ultimately determined that the Covered Person is not entitled to be indemnified under this Article VI or otherwise.

Section 6.3. *Claims*. If a claim for indemnification (following the final disposition of such proceeding) or advancement of expenses under this Article VI is not paid in full within thirty (30) days after a written claim therefor by the Covered Person has been received by the Corporation, the Covered Person 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 to the fullest extent permitted by law. In any such action the Corporation shall have the burden of proving that the Covered Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 6.4. *Nonexclusivity of Rights*. The rights conferred on any Covered Person by this Article VI shall not be exclusive of any other rights which such Covered 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.

Section 6.5. *Other Sources*. The Corporation's obligation, if any, to indemnify or to advance expenses to any Covered 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 nonprofit entity shall be reduced by any amount such Covered Person may collect as indemnification or advancement of expenses from such other corporation, partnership, joint venture, trust, enterprise or non-profit enterprise.

Section 6.6. *Amendment or Repeal*. Any right to indemnification or to advancement of expenses of any Covered Person arising hereunder shall not be eliminated or impaired by an amendment to or repeal of these bylaws after the occurrence of the act or omission that is the subject of the civil, criminal, administrative or investigative action, suit or proceeding for which indemnification or advancement of expenses is sought.

Section 6.7. *Other Indemnification and Advancement of Expenses*. This Article VI shall not limit the right of the Corporation, to the extent and in the manner permitted by law, to indemnify and to advance expenses to persons other than Covered Persons when and as authorized by appropriate corporate action.

ARTICLE VII

Miscellaneous

Section 7.1. *Fiscal Year*. The fiscal year of the Corporation shall be determined by resolution of the Board of Directors.

Section 7.2. *Seal*. The corporate seal shall have the name of the Corporation inscribed thereon and shall be in such form as may be approved from time to time by the Board of Directors.

Section 7.3. *Method of Notice*. Whenever notice is required by law, the Certificate of Incorporation or these bylaws to be given by the Corporation to any director, committee member or stockholder, without limiting the manner by which notice otherwise may be given, any notice to stockholders, directors, officers or agents given by the Corporation may be given in writing directed to such recipient's mailing address (or by electronic transmission directed to the recipient's electronic mail address, as applicable) as it appears on the records of the Corporation and shall be given (1) if mailed, when notice is deposited in the U.S. mail, postage prepaid, (2) if delivered by courier service, the earlier of when the notice is received or left at such recipient's address or (3) if given by electronic mail, when directed to such recipient's electronic mail address. Notice to a stockholder may not be given by electronic mail if the stockholder has notified the Corporation in writing or by electronic transmission of an objection to receiving notice by electronic mail or such notice is prohibited by law. A notice to stockholders by electronic mail must include a prominent legend that the communication is an important notice regarding the Corporation.

Section 7.4. *Waiver of Notice*. Whenever any notice is required to be given under the provisions of the statutes or of the Certificate of Incorporation or of these bylaws, a waiver thereof in writing, signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to such notice, whether before or after the time stated therein, 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.

Section 7.5. *Form of Records*. Any records maintained by the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be kept on, or by means of, or be in the form of, any information storage device or method, provided that the records so kept can be converted into clearly legible paper form within a reasonable time.

Section 7.6. *Amendment of Bylaws*. Subject to any additional votes or voting thresholds set forth in the Certificate of Incorporation, these bylaws may be altered, amended or repealed or new bylaws may be adopted by the stockholders or by the Board of Directors.

Section 7.7. *Registered Stockholders*. The Corporation 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 and 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.

Section 7.8. *Facsimile Signature*. In addition to the provisions for use of facsimile signatures elsewhere specifically authorized in these Bylaws, facsimile signatures of any officer or officers of the Corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

NUMBER
MV

SHARES
SPECIMEN

MOVANO INC.

INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE

SEE REVERSE FOR CERTAIN DEFINITIONS

COMMON STOCK

CUSIP 62459M 10 7

THIS CERTIFIES THAT:

SPECIMEN - NOT NEGOTIABLE

IS THE OWNER OF

FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF $0.0001 PAR VALUE EACH OF

MOVANO INC.

transferable on the books of the Corporation in person or by duly authorized attorney upon surrender of this certificate duly endorsed or assigned. This certificate and the shares represented hereby are subject to the laws of the State of Delaware, and to the Certificate of Incorporation and Bylaws of the Corporation, as now or hereafter amended.

This certificate is not valid until countersigned by the Transfer Agent.

WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.

DATED:

COUNTERSIGNED:

PHILADELPHIA STOCK TRANSFER, INC.
2320 HAVERFORD RD., SUITE 230, ARDMORE, PA 19003
TRANSFER AGENT

BY:

AUTHORIZED SIGNATURE

MOVANO INC. CORPORATE SEAL 2018 DELAWARE

SPECIMEN
NOT NEGOTIABLE

J Cogan

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

© COLUMBIA PRINTING SERVICES, LLC

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - .....Custodian.....
(Cust) (Minor)
under Uniform Gifts to Minors Act .....
(State)

Additional abbreviations may also be used though not in the above list.

For Value Received,_____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____

_____ *Shares*
of the stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ *Attorney*
to transfer the said stock on the books of the within named Corporation with full power of substitution in the premises.

Dated _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

Signature(s) Guaranteed

By _____

The Signature(s) must be guaranteed by an eligible guarantor institution (Banks, Stockbrokers, Savings and Loan Associations and Credit Unions with membership in an approved Signature Guarantee Medallion Program), pursuant to SEC Rule 17Ad-15.

THE CORPORATION WILL FURNISH TO ANY STOCKHOLDER, UPON REQUEST AND WITHOUT CHARGE, A FULL STATEMENT OF THE DESIGNATIONS, RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF THE SHARES OF EACH CLASS AND SERIES AUTHORIZED TO BE ISSUED, SO FAR AS THE SAME HAVE BEEN DETERMINED, AND OF THE AUTHORITY, IF ANY, OF THE BOARD TO DIVIDE THE SHARES INTO CLASSES OR SERIES AND TO DETERMINE AND CHANGE THE RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF ANY CLASS OR SERIES. SUCH REQUEST MAY BE MADE TO THE SECRETARY OF THE CORPORATION OR TO THE TRANSFER AGENT NAMED ON THIS CERTIFICATE.

COLUMBIA PRINTING SERVICES, LLC - www.stockinformation.com

Exhibit 4.2

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY OTHER SECURITIES LAWS AND MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF (1) AN EFFECTIVE REGISTRATION STATEMENT COVERING SUCH SECURITIES UNDER THE SECURITIES ACT AND ANY OTHER APPLICABLE SECURITIES LAWS, OR (2) AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

IN ADDITION, THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE HEREOF MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED, OR HYPOTHECATED, OR BE THE SUBJECT OF ANY HEDGING, SHORT SALE, DERIVATIVE, PUT, OR CALL TRANSACTION THAT WOULD RESULT IN THE EFFECTIVE ECONOMIC DISPOSITION OF SUCH SECURITIES BY ANY PERSON FOR A PERIOD OF THREE HUNDRED SIXTY-FIVE (365) DAYS IMMEDIATELY FOLLOWING THE DATE OF EFFECTIVENESS OF THE PUBLIC OFFERING OF THE COMPANY'S SECURITIES PURSUANT TO REGISTRATION STATEMENT NO.: 333-252671 AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION, EXCEPT IN ACCORDANCE WITH FINRA RULE 5110(E)(2).

MOVANO INC.

UNDERWRITER WARRANT

[●] shares of Common Stock

[●], 2021

This **UNDERWRITER WARRANT** (this "**Warrant")** of Movano Inc., a corporation duly organized and validly existing under the laws of the State of Delaware (the "**Company"),** is being issued pursuant to that certain Underwriting Agreement, dated [●], 2021 (the "**Underwriting Agreement"),** between the Company and National Securities Corporation (the "**Underwriter")** relating to a firm commitment public offering (the "**Offering")** of [●] shares of common stock, $0.0001 par value, of the Company (the "**Common Stock")** underwritten by the Underwriter.

FOR VALUE RECEIVED, the Company hereby grants to National Securities Corporation and its permitted successors and assigns (collectively, the "**Holder")** the right to purchase from the Company up to [●] shares of Common Stock (such shares underlying this Warrant, the "**Warrant Shares**"), at a per share purchase price equal to $[●] (the "**Exercise Price**")**,** subject to the terms, conditions and adjustments set forth below in this Warrant.

1. Date of Warrant Exercise. This Warrant shall become exercisable three hundred sixty-five (365) days after the Base Date (the "**Exercise Date**"). As used in this Warrant, the term "**Base Date"** shall mean [●], 2021 (the effective date of the registration statement). Except as permitted by applicable rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), this Warrant and the underlying Warrant Shares shall not be sold, transferred, assigned, pledged or hypothecated prior to the date that is three hundred sixty-five (365) days immediately following the Base Date pursuant to FINRA Rule 5110(e)(1), except as permitted under FINRA Rule 5110(e)(2).

2. Expiration of Warrant. This Warrant shall expire on the five (5) year anniversary of the Base Date (the "**Expiration Date**").

3. Exercise of Warrant. This Warrant shall be exercisable pursuant to the terms of this Section 3.

3.1 Manner of Exercise.

(a) This Warrant may only be exercised by the Holder hereof on or after the Exercise Date and on or prior to the Expiration Date, in accordance with the terms and conditions hereof, in whole or in part (but not as to fractional shares) with respect to any portion of this Warrant, during the Company's normal business hours on any day other than a Saturday or a Sunday or a day on which commercial banking institutions in New York, New York are authorized by law to be closed (a "**Business Day"**), by surrender of this Warrant to the Company at its office maintained pursuant to Section 10.2(a) hereof, accompanied by a written exercise notice in the form attached as Exhibit A to this Warrant (or a reasonable facsimile thereof) duly executed by the Holder, together with the payment of the aggregate Exercise Price for the number of Warrant Shares purchased upon exercise of this Warrant. Upon surrender of this Warrant, the Company shall cancel this Warrant document and shall, in the event of partial exercise, replace it with a new Warrant document in accordance with Section 3.3. The Exercise Price may be paid in a "cashless" or "cash" exercise or a combination thereof pursuant to **Section 3.1(b)** and **Section 3.1(c)** below; *provided, however*, that, if at any time during the term of this Warrant there is no effective registration statement registering the Warrant Shares under the Securities Act, or no current prospectus available for, the issuance or resale of the Warrant Shares by the Holder, then this Warrant may only be exercised at such time if the Holder is able to establish to the Company's reasonable satisfaction that the exercise complies with an exemption from the registration provisions of Section 5 of the Securities Act.

(b) Except as provided for in Section 3.1(c) below, each exercise of this Warrant must be accompanied by payment in full of the aggregate Exercise Price in cash by check or wire transfer in immediately available funds for the number of Warrant Shares being purchased by the Holder upon such exercise.

(c) The aggregate Exercise Price for the number of Warrant Shares being purchased may also, in the sole discretion of the Holder, be paid in full or in part on a "cashless basis" at the election of the Holder:

(i) in the form of Common Stock owned by the Holder (based on the Fair Market Value (as defined below) of such Common Stock on the date of exercise);

(ii) in the form of Warrant Shares withheld by the Company from the Warrant Shares otherwise to be received upon exercise of this Warrant having an aggregate Fair Market Value on the date of exercise equal to the aggregate Exercise Price of the Warrant Shares being purchased by the Holder; or

(iii) by a combination of the foregoing, provided that the combined value of all cash and the Fair Market Value of any shares surrendered to the Company is at least equal to the aggregate Exercise Price for the number of Warrant Shares being purchased by the Holder.

For purposes of this Warrant, the term "**Fair Market Value"** means with respect to a particular date, the average closing price of the Common Stock for the five (5) trading days immediately preceding the applicable exercise herein as officially reported by the principal securities exchange on which the Common Stock is then listed or admitted to trading, or, if the Common Stock is not listed or admitted to trading on any securities exchange as determined in good faith by resolution of the Board of Directors of the Company, based on the best information available to it.

To illustrate a cashless exercise of this Warrant under Section 3.1 (c)(ii) (or for a portion thereof for which cashless exercise treatment is requested as contemplated by Section 3.1(c)(iii) hereof), the calculation of such exercise shall be as follows:

$$X = Y (A-B)/A$$

where:

X = the number of Warrant Shares to be issued to the Holder (rounded to the nearest whole share).

Y = the number of Warrant Shares with respect to which this Warrant is being exercised.

A = the Fair Market Value of the Common Stock.

B = the Exercise Price.

(d) For purposes of Rule 144 and sub-section (d)(3)(ii) thereof, it is intended, understood, and acknowledged that the Common Stock issuable upon exercise of this Warrant in a cashless exercise transaction as described in Section 3.1(c) above shall be deemed to have been acquired at the time this Warrant was issued. Moreover, it is intended, understood, and acknowledged that the holding period for the Common Stock issuable upon exercise of this Warrant in a cashless exercise transaction as described in Section 3.1(c) above shall be deemed to have commenced on the date this Warrant was issued.

3.2 When Exercise Effective. Each exercise of this Warrant shall be deemed to have been effected immediately prior to the close of business on the Business Day on which this Warrant shall have been duly surrendered to the Company as provided in Sections 3.1 and 12 hereof, and, at such time, the Holder in whose name any certificate or certificates for Warrant Shares shall be issuable upon exercise as provided in Section 3.3 hereof shall be deemed to have become the holder or holders of record thereof of the number of Warrant Shares purchased upon exercise of this Warrant.

3.3 Delivery of Common Stock Certificates and New Warrant. As soon as reasonably practicable after each exercise of this Warrant, in whole or in part, and in any event within three (3) Business Days thereafter, the Company, at its expense (including the payment by it of any applicable issue taxes), will cause to be issued in the name of and delivered to the Holder hereof or, subject to Sections 9 and 10 hereof, as the Holder (upon payment by the Holder of any applicable transfer taxes) may direct:

(a) a certificate or certificates (with appropriate restrictive legends, as applicable) for the number of duly authorized, validly issued, fully paid and non-assessable Warrant Shares to which the Holder shall be entitled upon exercise; and

(b) in case exercise is in part only, a new Warrant document of like tenor, dated the date hereof, for the remaining number of Warrant Shares issuable upon exercise of this Warrant after giving effect to the partial exercise of this Warrant (including the delivery of any Warrant Shares as payment of the Exercise Price for such partial exercise of this Warrant).

4. Certain Adjustments. For so long as this Warrant is outstanding:

4.1 Mergers or Consolidations. If at any time after the date hereof there shall be a capital reorganization (other than a combination or subdivision of Common Stock otherwise provided for herein) resulting in a reclassification to or change in the terms of securities issuable upon exercise of this Warrant (a "**Reorganization"**), or a merger or consolidation of the Company with another corporation, association, partnership, organization, business, individual, government or political subdivision thereof or a governmental agency (a "**Person"** or the "**Persons"**) (other than a merger with another Person in which the Company is a continuing corporation and which does not result in any reclassification or change in the terms of securities issuable upon exercise of this Warrant or a merger effected exclusively for the purpose of changing the domicile of the Company) (a "**Merger"**), then, as a part of such Reorganization or Merger, lawful provision and adjustment shall be made so that the Holder shall thereafter be entitled to receive, upon exercise of this Warrant, the number of shares of stock or any other equity or debt securities or property receivable upon such Reorganization or Merger by a holder of the number of shares of Common Stock which might have been purchased upon exercise of this Warrant immediately prior to such Reorganization or Merger. 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 Reorganization or Merger to the end that the provisions of this Warrant (including adjustment of the Exercise Price then in effect and the number of Warrant Shares) shall be applicable after that event, as near as reasonably may be, in relation to any shares of stock, securities, property or other assets thereafter deliverable upon exercise of this Warrant. The provisions of this Section 4.1 shall similarly apply to successive Reorganizations and/or Mergers.

4.2 Splits and Subdivisions; Dividends. In the event the Company should at any time or from time to time effectuate a split or subdivision of the outstanding shares of Common Stock or pay a dividend in or make a distribution payable in additional shares of Common Stock or other securities, or rights convertible into, or entitling the holder thereof to receive, directly or indirectly, additional shares of Common Stock (hereinafter referred to as "**Common Stock Equivalents**") without payment of any consideration by such holder for the additional shares of Common Stock or Common Stock Equivalents (including the additional shares of Common Stock issuable upon conversion or exercise thereof), then, as of the applicable record date (or the date of such distribution, split or subdivision if no record date is fixed), the per share Exercise Price shall be appropriately decreased and the number of Warrant Shares shall be appropriately increased in proportion to such increase (or potential increase) of outstanding shares; provided, however, that no adjustment shall be made in the event the split, subdivision, dividend or distribution is not effectuated. Notwithstanding the foregoing or anything else to the contrary herein, in no event shall the per share Exercise Price be reduced below the par value of one Common Share or of such other securities as may be issued upon exercise of the Warrant.

4.3 Combination of Shares. If the number of shares of Common Stock outstanding at any time after the date hereof is decreased by a combination of the outstanding shares of Common Stock, the per share Exercise Price shall be appropriately increased and the number of shares of Warrant Shares shall be appropriately decreased in proportion to such decrease in outstanding shares.

4.4 Adjustments for Other Distributions. In the event the Company shall declare a distribution payable in securities of other Persons, evidences of indebtedness issued by the Company or other Persons, assets (excluding cash dividends or distributions to the holders of Common Stock paid out of current or retained earnings and declared by the Company's Board of Directors) or options or rights not referred to in Sections 4.2 or 4.3 then, in each such case for the purpose of this Section 4.4, upon exercise of this Warrant, the Holder shall be entitled to a proportionate share of any such distribution as though the Holder was the actual record holder of the number of Warrant Shares as of the record date fixed for the determination of the holders of Common Stock of the Company entitled to receive such distribution.

5. No Impairment. The Company will not, by amendment of its certificate of incorporation or by-laws or through any consolidation, merger, reorganization, transfer of assets, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all of the terms and in the taking of all actions necessary or appropriate in order to protect the rights of the Holder against impairment.

6. Notice as to Adjustments. With respect to each adjustment pursuant to Section 4 of this Warrant, the Company, at its expense, will promptly compute the adjustment or re-adjustment in accordance with the terms of this Warrant and furnish the Holder with a certificate certified and confirmed by the Secretary or Chief Financial Officer of the Company setting forth, in reasonable detail, the event requiring the adjustment or re-adjustment and the amount of such adjustment or re-adjustment, the method of calculation thereof and the facts upon which the adjustment or re-adjustment is based, and the Exercise Price and the number of Warrant Shares or other securities purchasable hereunder after giving effect to such adjustment or re-adjustment, which report shall be mailed by first class mail, postage prepaid to the Holder.

7. Reservation of Shares. The Company shall, solely for the purpose of effecting the exercise of this Warrant, at all times during the term of this Warrant, reserve and keep available out of its authorized shares of Common Stock, free from all taxes, liens and charges with respect to the issue thereof and not subject to preemptive rights of shareholders of the Company, such number of its shares of Common Stock as shall from time to time be sufficient to effect in full the exercise of this Warrant. If at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect in full the exercise of this Warrant, in addition to such other remedies as shall be available to Holder, the Company will promptly take such corporate action as may, in the opinion of its counsel, be necessary to increase the number of authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including without limitation, using its Reasonable Commercial Efforts (as defined in Section 14 hereof) to obtain the requisite shareholder approval necessary to increase the number of authorized shares of Common Stock. The Company hereby represents and warrants that all shares of Common Stock issuable upon proper exercise of this Warrant shall be duly authorized and, when issued and paid for upon proper exercise, shall be validly issued, fully paid and nonassessable.

8. Registration and Listing.

8.1 Definition of Registrable Securities; Majority. As used herein, the term "**Registrable Securities**" means any shares of Common Stock issuable upon the exercise of this Warrant until the date (if any) on which such shares shall have been transferred or exchanged and new certificates for them not bearing a legend restricting further transfer shall have been delivered by the Company and subsequent disposition of the shares shall not require registration or qualification under the Securities Act or any similar state law then in force. For purposes of this Warrant, the term "**Majority Holders**" shall mean in excess of fifty percent (50%) of the then outstanding Warrant Shares.

8.2 Demand Registration Rights.

(a) If at any time after the date hereof and on or before the Expiration Date there is no effective registration statement registering the Warrant Shares under the Securities Act, or no current prospectus available for, the issuance or resale of the Warrant Shares by the Holder, the Company, upon written demand ("**Demand Notice**") of the Majority Holders, agrees to register on one occasion all of the Registrable Securities (a "**Demand Right**"). On such occasion, the Company will file a registration statement or a post-effective amendment to the Registration Statement covering the Registrable Securities within forty-five (45) days after receipt of a Demand Notice and use its Reasonable Commercial Efforts to have such registration statement or post-effective amendment declared effective as soon as possible thereafter; provided, however, that the Company shall not be required to comply with a Demand Notice if the Company has filed a registration statement with respect to which the Holder is entitled to piggyback registration rights pursuant to Section 8.3 hereof and either: (i) the Holder has elected to participate in the offering covered by such registration statement or (ii) if such registration statement relates to an underwritten primary offering of securities of the Company, until the offering covered by such registration statement has been withdrawn or until thirty (30) days after such offering is consummated. The demand for registration may be made at any time during a period of four years beginning one (1) year from the Base Date. The Company covenants and agrees to give written notice of its receipt of any Demand Notice to all other registered Holders of the Warrants and/or the Registrable Securities within ten days from the date of the receipt of any such Demand Notice.

(b) The Company shall bear all fees and expenses attendant to registering the Registrable Securities pursuant to Section 8.2(a), but the Holders shall pay any and all underwriting commissions and the expenses of any legal counsel selected by the Holders to represent them in connection with the sale of the Registrable Securities. The Company agrees to use its Reasonable Commercial Efforts to qualify or register the Registrable Securities in such states as are reasonably requested by the Majority Holder(s); provided, however, that in no event shall the Company be required to register the Registrable Securities in a state in which such registration would cause (i) the Company to be obligated to register, license or qualify to do business in such state, submit to general service of process in such state or would subject the Company to taxation as a foreign corporation doing business in such jurisdiction or (ii) the principal stockholders of the Company to be obligated to escrow their shares of capital stock of the Company. The Company shall cause any registration statement or post-effective amendment filed pursuant to the Demand Right granted under Section 8.2(a) to remain effective for a period of nine consecutive months from the effective date of such registration statement or post-effective amendment. The Holders shall only use the prospectuses provided by the Company to sell the Registrable Securities covered by such registration statement, and will immediately cease to use any prospectus furnished by the Company if the Company advises the Holder that such prospectus may no longer be used due to a material misstatement or omission.

8.3 Incidental Registration Rights.

(a) If the Company, for a period of six (6) years commencing one (1) year after the Base Date, proposes to register any of its securities under the Securities Act (other than in connection with a transaction contemplated by Rule 145(a) promulgated under the Securities Act or pursuant to registration on Form S-4 or S-8 or any successor forms) whether for its own account or for the account of any holder or holders of its shares other than Registrable Securities (any shares of such holder or holders (but not those of the Company and not Registrable Securities) with respect to any registration are referred to herein as, "**Other Shares**"), the Company shall at each such time give prompt (but not less than thirty (30) days prior to the anticipated effectiveness thereof) written notice to the holders of Registrable Securities of its intention to do so. The holders of Registrable Securities shall exercise the "piggy-back" rights provided herein by giving written notice within ten (10) days after the receipt of any such notice (which request shall specify the Registrable Securities intended to be disposed of by such holder). Except as set forth in Section 8.3(b), the Company will use its Reasonable Commercial Efforts to effect the registration under the Securities Act of all of the Registrable Securities which the Company has been so requested to register by such holder, to the extent required to permit the disposition of the Registrable Securities so to be registered, by inclusion of such Registrable Securities in the registration statement which covers the securities which the Company proposes to register. The Company will pay all Registration Expenses in connection with each registration of Registrable Securities pursuant to this Section 8.3.

(b) If the Company at any time proposes to register any of its securities under the Securities Act as contemplated by this Section 8.3 and such securities are to be distributed by or through one or more underwriters, the Company will, if requested by a holder of Registrable Securities, use its Reasonable Commercial Efforts to arrange for such underwriters to include all the Registrable Securities to be offered and sold by such holder among the securities to be distributed by such underwriters, provided that if the managing underwriter of such underwritten offering shall inform the Company by letter of its belief that inclusion in such registration statement and/or distribution of all or a specified number of such securities proposed to be distributed by such underwriters would interfere with the successful marketing of the securities being distributed by such underwriters (such letter to state the basis of such belief and the approximate number of such Registrable Securities, such Other Shares and shares held by the Company proposed so to be registered which may be distributed without such effect), then the Company may, upon written notice to such holder, the other holders of Registrable Securities, and holders of such Other Shares, reduce pro rata in accordance with the number of shares of Common Stock desired to be included in such registration statement and/or distribution (if and to the extent stated by such managing underwriter to be necessary to eliminate such effect) the number of such Registrable Securities and Other Shares the registration and/or distribution of which shall have been requested by each holder thereof so that the resulting aggregate number of such Registrable Securities and Other Shares so included in such registration and/or distribution, together with the number of securities to be included in such registration and/or distribution for the account of the Company, shall be equal to the number of shares stated in such managing underwriter's letter.

8.4 Registration Procedures. Whenever the holders of Registrable Securities have properly requested that any Registrable Securities be registered pursuant to the terms of this Warrant, the Company shall use its Reasonable Commercial Efforts to effect the registration for the sale of such Registrable Securities in accordance with the intended method of disposition thereof, and pursuant thereto the Company shall as expeditiously as possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its Reasonable Commercial Efforts to cause such registration statement to become effective;

(b) notify such holders of the effectiveness of each registration statement filed hereunder and prepare and file with the SEC such amendments and supplements to such registration statement and the prospectus used in connection therewith as may be necessary to (i) keep such registration statement effective and the prospectus included therein usable for a period commencing on the date that such registration statement is initially declared effective by the SEC and ending on the earlier of (A) the date when all Registrable Securities covered by such registration statement have been sold pursuant to the registration statement or cease to be Registrable Securities, or (B) nine months from the effective date of the registration statement; and (ii) comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such registration statement during such period in accordance with the intended methods of disposition by the sellers thereof set forth in such registration statement;

(c) furnish to such holders such number of copies of such registration statement, each amendment and supplement thereto, the prospectus included in such registration statement (including each preliminary prospectus) and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Securities owned by such holders;

(d) use its Reasonable Commercial Efforts to register or qualify such Registrable Securities under such other securities or blue sky laws of such jurisdictions as such holders reasonably request and do any and all other acts and things which may be reasonably necessary or advisable to enable such holders to consummate the disposition in such jurisdictions of the Registrable Securities owned by such holders; provided, however, that the Company shall not be required to: (i) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph; (ii) subject itself to taxation in any such jurisdiction; or (iii) consent to general service of process in any such jurisdiction;

(e) notify such holders, at any time when a prospectus relating thereto is required to be delivered under the Securities Act, of the happening of any event as a result of which the prospectus included in such registration statement contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances in which they are made, not materially misleading, and, at the reasonable request of such holders, the Company shall prepare a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of such Registrable Securities, such prospectus shall not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances in which they are made, not materially misleading;

(f) provide a transfer agent and registrar for all such Registrable Securities not later than the effective date of such registration statement;

(g) make available for inspection by any underwriter participating in any disposition pursuant to such registration statement, and any attorney, accountant or other agent retained by any such underwriter, all financial and other records, pertinent corporate documents and properties of the Company, and cause the Company's officers, directors, managers, employees and independent accountants to supply all information reasonably requested by any such underwriter, attorney, accountant or agent in connection with such registration statement;

(h) otherwise use its Reasonable Commercial Efforts to comply with all applicable rules and regulations of the SEC, and make available to its security holders, as soon as reasonably practicable, an earnings statement of the Company, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and, at the option of the Company, Rule 158 thereunder;

(i) in the event of the issuance of any stop order suspending the effectiveness of a registration statement, or of any order suspending or preventing the use of any related prospectus or suspending the qualification of any Registrable Securities included in such registration statement for sale in any jurisdiction, the Company shall use its Reasonable Commercial Efforts promptly to obtain the withdrawal of such order; and

(j) if the offering is underwritten, use its Reasonable Commercial Efforts to furnish on the date that Registrable Securities are delivered to the underwriters for sale pursuant to such registration, an opinion dated such date of counsel representing the Company for the purposes of such registration, addressed to the underwriters covering such issues as are reasonably required by such underwriters.

8.5 Listing. The Company shall secure the listing of the Common Stock underlying this Warrant upon each national securities exchange or automated quotation system upon which shares of Common Stock are then listed or quoted (subject to official notice of issuance) and shall maintain such listing of shares of Common Stock. The Company shall at all times comply in all material respects with the Company's reporting, filing and other obligations under the by-laws or rules of The NASDAQ Stock Market (or such other national securities exchange or market on which the Common Stock may then be listed, as applicable).

8.6 Expenses. The Company shall pay all Registration Expenses relating to the registration and listing obligations set forth in this Section 8. For purposes of this Warrant, the term "**Registration Expenses**" means: (a) all registration, filing and FINRA fees, (b) all reasonable fees and expenses of complying with securities or blue sky laws, (c) all word processing, duplicating and printing expenses, (d) the fees and disbursements of counsel for the Company and of its independent public accountants, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, (e) premiums and other costs of policies of insurance (if any) against liabilities arising out of the public offering of the Registrable Securities being registered if the Company desires such insurance, if any, and (f) fees and disbursements of one counsel for the selling holders of Registrable Securities; provided however, that, in any case where Registration Expenses are not to be borne by the Company, such expenses shall not include (and such expenses shall be borne by the Company): (i) salaries of Company personnel or general overhead expenses of the Company, (ii) auditing fees, or (iii) other expenses for the preparation of financial statements or other data, to the extent that any of the foregoing either is normally prepared by the Company in the ordinary course of its business or would have been incurred by the Company had no public offering taken place. Registration Expenses shall not include any underwriting discounts and commissions which may be incurred in the sale of any Registrable Securities and transfer taxes of the selling holders of Registrable Securities.

8.7 Information Provided by Holders. Any holder of Registrable Securities included in any registration shall furnish to the Company such information as the Company may reasonably request in writing, including, but not limited to, a completed and executed questionnaire requesting information customarily sought of selling security holders, to enable the Company to comply with the provisions hereof in connection with any registration referred to in this Warrant. The Holder agrees to suspend all sales of Registrable Securities pursuant to a registration statement filed under Section 8.3 in the event the Company notifies Holder pursuant to Section 8.4(e) that the prospectus relating thereto is no longer current and will not resume sales under such registration statement until advised by the Company that the prospectus has been appropriately supplemented or amended.

8.8 FINRA Public Offering System Filings. In the event that a registration statement covering the Registrable Securities is filed, within one (1) Business Day of the filing of such registration statement, the Company will prepare and file the selling stockholder resale offering described in such registration statement for review by FINRA via the FINRA's Public Offering System filing system ("**Public Offering System Filing**") for the purpose of having the prospectus contained within such registration statement treated as a "base prospectus" in connection with such resale offering. The Company will use its Reasonable Commercial Efforts to have the Public Offering System Filing approved by FINRA within thirty (30) days of such filing date. The Company shall bear all expenses of the Public Offering System Filing, including fees and expenses of one counsel or other advisor to the Holder. In all circumstances, the Company shall pay for all FINRA filing fees associated with the Public Offering System Filing.

8.9 Effectiveness Period. The Company shall use its Reasonable Commercial Efforts to keep each registration statement contemplated hereunder continuously effective under the Securities Act until the date which is the earlier date of when (i) all Registrable Securities covered by such Registration Statement have been sold, (ii) all Registrable Securities covered by such Registration Statement may be sold immediately without registration under the Securities Act and without volume restrictions pursuant to Rule 144 under the Securities Act, as determined by the counsel to the Company pursuant to a written opinion letter to such effect, addressed and reasonably acceptable to the Company's transfer agent and the affected holders of Registrable Securities, or (iii) nine months from the effective date of such registration statement.

8.10 Net Cash Settlement. Notwithstanding anything herein to the contrary, in no event will the Holder hereof be entitled to receive a net-cash settlement as liquidated damages in lieu of physical settlement in shares of Common Stock, regardless of whether the Common Stock underlying this Warrant is registered pursuant to an effective registration statement; provided, however, that the foregoing will not preclude the Holder from seeking other remedies at law or equity for breaches by the Company of its registration obligations hereunder.

8.11 Termination of Registration Rights. The registration rights afforded to the Holder under this Section 8 shall terminate on the earliest date when all Registrable Securities of the Holder either: (i) have been publicly sold by the Holder pursuant to a Registration Statement, (ii) have been covered by an effective Registration Statement on Form S-1 or Form S-3 (or successor form), which may be kept effective as an evergreen Registration Statement, or (iii) may be sold by the Holder within a 90 day period without registration pursuant to Rule 144 or consistent with applicable SEC interpretive guidance (including CD&I no. 201.04 (April 2, 2007) or similar interpretive guidance).

9. Restrictions on Transfer.

9.1 Restrictive Legends. This Warrant and each Warrant issued upon transfer or in substitution for this Warrant pursuant to Section 10 hereof, each certificate for Common Stock issued upon the exercise of the Warrant and each certificate issued upon the transfer of any such Common Stock shall be transferable only upon satisfaction of the conditions specified in this Section 9. Each of the foregoing securities shall be stamped or otherwise imprinted with a legend reflecting the restrictions on transfer set forth herein and any restrictions required under the Securities Act or other applicable securities laws.

9.2 Notice of Proposed Transfer. Prior to any transfer of any securities which are not registered under an effective registration statement under the Securities Act **(**"**Restricted Securities"),** which transfer may only occur if there is an exemption from the registration provisions of the Securities Act and all other applicable securities laws, the Holder will give written notice to the Company of the Holder's intention to effect a transfer (and shall describe the manner and circumstances of the proposed transfer). The following provisions shall apply to any proposed transfer of Restricted Securities:

(i) If in the opinion of counsel for the Holder reasonably satisfactory to the Company the proposed transfer may be effected without registration of the Restricted Securities under the Securities Act (which opinion shall state in detail the basis of the legal conclusions reached therein), the Holder shall thereupon be entitled to transfer the Restricted Securities in accordance with the terms of the notice delivered by the Holder to the Company. Each certificate representing the Restricted Securities issued upon or in connection with any transfer shall bear the restrictive legends required by Section 9.1 hereof.

(ii) If the opinion called for in (i) above is not delivered, the Holder shall not be entitled to transfer the Restricted Securities until either: (x) receipt by the Company of a further notice from such Holder pursuant to the foregoing provisions of this Section 9.2 and fulfillment of the provisions of clause (i) above, or (y) such Restricted Securities have been effectively registered under the Securities Act.

9.3 Certain Other Transfer Restrictions. Notwithstanding any other provision of this Warrant: (i) prior to the Exercise Date, this Warrant or the Restricted Securities thereunder may only be transferred or assigned to the persons permitted under FINRA Rule 5110(e), and (ii) subject at all times to FINRA Rule 5110(e), no opinion of counsel shall be necessary for a transfer of Restricted Securities by the holder thereof to any Person employed by or owning equity in the Holder, if the transferee agrees in writing to be subject to the terms hereof to the same extent as if the transferee were the original purchaser hereof and such transfer is permitted under applicable securities laws.

9.4 Termination of Restrictions. Except as set forth in Section 9.3 hereof and subject at all times to FINRA Rule 5110(e), the restrictions imposed by this Section 9 upon the transferability of Restricted Securities shall cease and terminate as to any particular Restricted Securities: (a) which shall have been effectively registered under the Securities Act, or (b) when, in the opinion of counsel for the Company, such restrictions are no longer required in order to insure compliance with the Securities Act or Section 10 hereof. Whenever such restrictions shall cease and terminate as to any Restricted Securities, the Holder thereof shall be entitled to receive from the Company, without expense (other than applicable transfer taxes, if any), new securities of like tenor not bearing the applicable legends required by Section 9.1 hereof.

10. Ownership, Transfer, Sale and Substitution of Warrant.

10.1 Ownership of Warrant. The Company may treat any Person in whose name this Warrant is registered in the Warrant Register maintained pursuant to Section 10.2(b) hereof as the owner and holder thereof for all purposes, notwithstanding any notice to the contrary, except that, if and when any Warrant is properly assigned in blank, the Company may (but shall not be obligated to) treat the bearer thereof as the owner of such Warrant for all purposes, notwithstanding any notice to the contrary. Subject to Sections 9 and 10 hereof, this Warrant, if properly assigned, may be exercised by a new holder without a new Warrant first having been issued.

10.2 Office; Exchange of Warrant.

(a) The Company will maintain its principal office at the location identified in the prospectus relating to the Offering or at such other offices as set forth in the Company's most current filing (as of the date notice is to be given) under the Securities Exchange Act of 1934, as amended, or as the Company otherwise notifies the Holder.

(b) The Company shall cause to be kept at its office maintained pursuant to Section 10.2(a) hereof a Warrant Register for the registration and transfer of the Warrant. The name and address of the holder of the Warrant, the transfers thereof and the name and address of the transferee of the Warrant shall be registered in such Warrant Register. The Person in whose name the Warrant shall be so registered shall be deemed and treated as the owner and holder thereof for all purposes of this Warrant, and the Company shall not be affected by any notice or knowledge to the contrary.

(c) Upon the surrender of this Warrant, properly endorsed, for registration of transfer or for exchange at the office of the Company maintained pursuant to Section 10.2(a) hereof, the Company at its expense will (subject to compliance with Section 9 hereof, if applicable) execute and deliver to or upon the order of the Holder thereof a new Warrant of like tenor, in the name of such holder or as such holder (upon payment by such holder of any applicable transfer taxes) may direct, calling in the aggregate on the face thereof for the number of shares of Common Stock called for on the face of the Warrant so surrendered (after giving effect to any previous adjustment(s) to the number of Warrant Shares).

10.3 Replacement 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 of this Warrant, upon delivery of indemnity reasonably satisfactory to the Company in form and amount or, in the case of any mutilation, upon surrender of this Warrant for cancellation at the office of the Company maintained pursuant to Section 10.2(a) hereof, the Company will execute and deliver, in lieu thereof, a new Warrant of like tenor and dated the date hereof.

10.4 Opinions. In connection with the sale of the Warrant Shares by Holder, the Company agrees to cooperate with the Holder, and at the Company's expense, to have its counsel provide any legal opinions required to remove the restrictive legends from the Warrant Shares in connection with a sale, transfer or legend removal request of Holder.

11. Indemnification. In connection with any Registration Statement or any other disclosure document pursuant to which securities of the Company are sold, the Company will, and hereby does, jointly and severally, indemnify and hold harmless the Holder, its directors, officers, fiduciaries, and agents (each, a "**Covered Person**") against any losses, claims, damages or liabilities, joint or several, to which such Covered Person may be or become subject under the Securities Act, any other securities or other laws of any jurisdiction, common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (1) any untrue statement or alleged untrue statement of any material fact contained or incorporated by reference in any Registration Statement under the Securities Act, any preliminary prospectus or final prospectus included therein, or any amendment or supplement thereto, or any document incorporated by reference therein, or any other such disclosure document, or (2) any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statement therein not misleading, and will reimburse such Covered Person for any legal or any other expenses incurred in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding, provided, however, the Company shall not be liable to any Covered Person in any such case to the extent that any such loss, claim, damage, liability, action or proceeding is determined, by a final, non-appealable judgment by a court or arbitral tribunal of competent jurisdiction, to have arisen out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in such Registration Statement, any such preliminary prospectus, final prospectus, amendment or supplement, any document incorporated by reference or other such disclosure document in reliance upon and in conformity with written information furnished to the Company through an instrument duly executed by such Covered Person specifically stating that it is for use in the preparation thereof.

12. No Rights or Liabilities as Stockholder. No Holder shall be entitled to vote or be deemed the holder of any equity securities which may at any time be issuable on the exercise hereof, nor shall anything contained herein be construed to confer upon the Holder, as such, any of the rights of a stockholder of the Company or any right to vote for the election of directors or upon any matter submitted to stockholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value, consolidation, merger, conveyance, or otherwise) or to receive notice of meetings until the Warrant shall have been exercised and the shares of Common Stock purchasable upon the exercise hereof shall have become deliverable, as provided herein.

13. Notices. Any notice or other communication in connection with this Warrant shall be given in writing and directed to the parties hereto as follows: (a) if to the Holder, at the address of the holder in the warrant register maintained pursuant to Section 10 hereof, or (b) if to the Company, to the attention of its Chief Executive Officer at its office maintained pursuant to Section 10.2(a) hereof; *provided,* that the exercise of the Warrant shall also be effected in the manner provided in Section 3 hereof. Notices shall be deemed properly delivered and received when delivered to the notice party (i) if personally delivered, upon receipt or refusal to accept delivery, (ii) if sent via facsimile, upon mechanical confirmation of successful transmission thereof generated by the sending telecopy machine, (iii) if sent by a commercial overnight courier for delivery on the next Business Day, on the first Business Day after deposit with such courier service, (iv) if sent by registered or certified mail, five (5) Business Days after deposit thereof in the U.S. mail, or (v) if sent by email, the date of transmission if such notice or communication is delivered via email at the email address specified in the Underwriting Agreement prior to 5:00 p.m. (prevailing Pacific time) on a Business Day, or the next Business Day after the date of transmission if such notice or communication is delivered via email at the email address specified in the Underwriting Agreement on a day that is not a Business Day or later than 5:00 p.m. (prevailing Pacific time) on a Business Day.

14. Payment of Taxes. The Company will pay all documentary stamp taxes attributable to the issuance of shares of Common Stock underlying this Warrant upon exercise of this Warrant; *provided, however,* that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the transfer or registration of this Warrant or any certificate for shares of Common Stock underlying this Warrant in a name other that of the Holder. The Holder is responsible for all other tax liability that may arise as a result of holding or transferring this Warrant or receiving shares of Common Stock underlying this Warrant upon exercise hereof.

15. Miscellaneous. This Warrant and any term hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the change, waiver, discharge or termination is sought. This Warrant shall be construed and enforced in accordance with and governed by the laws of the State of New York. Each of the parties consents to the exclusive jurisdiction of the Federal or state courts whose districts encompass any part of the County of New York located in the City of New York, New York in connection with any dispute arising under this Agreement and hereby waives, to the maximum extent permitted by law, any objection, including any objection based on *forum non conveniens,* to the bringing of any such proceeding in such jurisdictions. Each party to this Agreement irrevocably consents to the service of process in any such proceeding by any manner permitted by law. The section headings in this Warrant are for purposes of convenience only and shall not constitute a part hereof. In case any one or more of the provisions of this Warrant shall be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby, and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant. When used herein, the term "**Reasonable Commercial Efforts"** means, with respect to the applicable obligation of the Company, reasonable commercial efforts for similarly situated, publicly-traded companies.

(Signature on Following Page)

IN WITNESS WHEREOF, the Company has caused this Underwriter Warrant to be duly executed as of the date first above written.

MOVANO INC.

By*:* _____

Michael Leabman,
Chief Executive Officer

EXHIBIT A
FORM OF EXERCISE NOTICE
[To be executed only upon exercise of Warrant]

To MOVANO INC.:

The undersigned registered holder of the within Warrant hereby irrevocably exercises the Warrant pursuant to Section 3.1 of the Warrant with respect to [_____] Warrant Shares, at an exercise price of $[____] per share, and requests that the certificates for such Warrant Shares be issued, subject to Sections 9 and 10, in the name of and delivered to:

_____
_____
_____
_____

The undersigned is hereby making payment for the Warrant Shares in the following manner:
[check one]

☐ by cash in accordance with Section 3.1(b) of the Warrant

☐ via cashless exercise in accordance with Section 3.1(c) of the Warrant in the following manner:

_____
_____
_____

The undersigned hereby represents and warrants that it is, and has been since its acquisition of the Warrant, the record and beneficial owner of the Warrant.

Dated: _____

_____
Print or Type Name

_____
(Signature must conform in all respects to name of holder as specified on the face of Warrant)

_____
(Street Address)

_____
(City) (State) (Zip Code)

EXHIBIT B
FORM OF ASSIGNMENT
[To be executed only upon transfer of Warrant]

For value received, the undersigned registered holder of the within Warrant hereby sells, assigns and transfers unto_____ [include name and addresses] the rights represented by the Warrant to purchase_____ shares of Common Stock of MOVANO INC. to which the Warrant relates, and appoints_____ Attorney to make such transfer on the books of MOVANO INC. maintained for the purpose, with full power of substitution in the premises.

Dated:

_____
(Signature must conform in all respects to name of holder as specified on the face of Warrant)

_____
(Street Address)

_____
(City) (State) (Zip Code)

Signed in the presence of:

_____
Signature of Transferee)

_____
(Street Address)

_____
(City) (State) (Zip Code)

Signed in the presence of:_____

Exhibit 5.1

March 10, 2021

Movano Inc.
6200 Stoneridge Mall Rd., Suite 300
Pleasanton, CA 94588

Ladies and Gentlemen:

We have acted as counsel to Movano Inc., a Delaware corporation (the "Company"), in connection with the filing by the Company of a Registration Statement on Form S-1 (File No. 333-252671) originally filed with the Securities and Exchange Commission (the "SEC") on February 2, 2021 and amended on March 10, 2021 (as amended, the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"). The Registration Statement relates to the proposed issuance and sale by the Company ("Offering") of (i) 8,280,000 shares ("Shares") of the Company's common stock, $0.0001 par value per share ("Common Stock"), (ii) warrants ("Underwriters' Warrants"), issued to the underwriters for the Offering to purchase shares of Common Stock and (iii) shares of Common Stock underlying the Underwriters' Warrants ("Underwriters' Warrant Shares"). The Shares, the Underwriters' Warrants and the Underwriters' Warrant Shares are referred to herein, collectively, as the "Securities". The Securities are to be sold by the Company pursuant to an Underwriting Agreement by and between the Company and National Securities Corporation, as representative of the several underwriters (the "Underwriting Agreement").

You have requested our opinion as to the matters set forth below in connection with the issuance of the Securities. For purposes of rendering that opinion, we have examined: (i) the Registration Statement, (ii) the Underwriting Agreement, (iii) a form of the Third Amended and Restated Certificate of Incorporation of the Company, which has been filed with the SEC as an exhibit to the Registration Statement (the "Charter"), (iv) a form of the Company's Amended and Restated Bylaws, which has been filed with the SEC as an exhibit to the Registration Statement (the "Bylaws"), (v) the Company's stock, warrant and option ledgers, and (vi) the resolutions adopted by the Company's Board of Directors on March 5, 2021 relating to the issuance and sale of the Securities (the "Board Resolutions") . We have also reviewed such matters of law as we have deemed necessary to render the opinions expressed herein. For the purposes of this opinion letter, we have assumed that each document submitted to us is accurate and complete, that each such document that is an original is authentic, that each such document that is a copy conforms to an authentic original, the conformity to the original or final versions of the documents submitted to us as copies or drafts, including without limitation, the Charter and that all signatures on each such document are genuine.

In rendering our opinion below, we also have assumed that: (a) the Company will have sufficient authorized and unissued shares of Common Stock at the time of each issuance of an Underwriters' Warrant Share; (b) each Share and Underwriters' Warrant Share will be evidenced by an appropriate certificate, duly executed and delivered or the Company's Board of Directors will adopt a resolution, providing that all shares of Common Stock shall be uncertificated in accordance with Section 158 of the Delaware General Corporation Law (the "DGCL"), prior to their issuance;

(c) the issuance of each Share and Underwriters' Warrant Share will be duly noted in the Company's stock ledger upon issuance; (d) each of the Underwriters' Warrants and the Underwriting Agreement constitutes a valid and binding agreement of each of the parties thereto (other than the Company), enforceable against the parties thereto in accordance with its terms; and (e) the Securities will be issued and sold in accordance with the Board Resolutions. We have further assumed the legal capacity of natural persons. We have not verified any of those assumptions.

Our opinion set forth below in numbered paragraphs 1 and 3 and the first sentence of numbered paragraph 2 are limited to the DGCL. Our opinion set forth below in the second sentence of numbered paragraph 2 is limited to the laws of the State of New York.

Based upon and subject to the foregoing, provided that the Registration Statement and any required post-effective amendment thereto have all become effective under the Securities Act and any related prospectus required by applicable law ("Prospectus") have been delivered and filed as required by such laws, it is our opinion that:

1. The Shares have been duly authorized for issuance by the Company and, when issued and paid for as described in the Prospectus and the Underwriting Agreement, will be validly issued, fully paid, and non-assessable.

2. The Underwriters' Warrants have been duly authorized for issuance by the Company. Provided that the Underwriters' Warrants have been duly executed and delivered by the Company and duly delivered to the purchaser thereof against payment therefor, the Underwriters' Warrants, when issued and paid for as described in the Registration Statement and the Prospectus, will be valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, subject to the effect of bankruptcy, insolvency, fraudulent transfer, reorganization, receivership, moratorium and other laws affecting the rights and remedies of creditors generally, and to the exercise of judicial discretion in accordance with general principles of equity (whether applied by a court of law or equity, and to the public policy against enforcement of indemnifications for violations of federal securities laws).

3. The Underwriters' Warrant Shares have been duly authorized and, when issued and delivered by the Company against payment therefor, upon the exercise of the Underwriters' Warrants in accordance with the terms therein, will be validly issued, fully paid, and non-assessable.

The opinions set forth above are subject to the following additional assumptions:

(a) The Registration Statement and any amendment thereto (including any post-effective amendment) will have become effective under the Securities Act, and such effectiveness shall not have been terminated, suspended or rescinded;

(b) All Securities offered pursuant to the Registration Statement will be issued and sold (i) in compliance with all applicable federal and state securities laws, rules and regulations and solely in the manner provided in the Registration Statement and the Prospectus and (ii) only upon payment of the consideration fixed therefor in accordance with the Underwriting Agreement and, if applicable, the Securities themselves, and there will not have occurred any change in law or fact affecting the validity of any of the opinions rendered herein with respect thereto;

(c) The Company will have sufficient authorized and unissued shares of Common Stock at the time of any issuance of the Underwriters' Warrant Shares upon the exercise of the Underwriters' Warrants; and

(d) To the extent that the obligations of the Company under any agreement pursuant to which any Securities offered pursuant to the Registration Statement are to be issued or governed, including any amendment or supplement thereto, may be dependent upon such matters, we assume for purposes of this opinion letter that (i) each party to any such agreement other than the Company (including any applicable warrant agent or other party acting in a similar capacity with respect to any Securities) will be duly organized, validly existing and in good standing under the laws of its jurisdiction of organization; that each such other party will be duly qualified to engage in the activities contemplated thereby; (ii) each such agreement and the applicable Securities will have been duly authorized, executed and delivered by each such other party and will constitute the valid and binding obligations of each such other party, enforceable against each such other party in accordance with their terms; (iii) each such other party will be in compliance, with respect to acting in any capacity contemplated by any such agreement, with all applicable laws and regulations; and (iv) each such other party will have the requisite organizational and legal power and authority to perform its obligations under each such agreement.

We assume no obligation to update or supplement any of our opinions to reflect any changes of law or fact that may occur.

We hereby consent to the filing of this opinion letter with the SEC as Exhibit 5.1 to the Registration Statement. We also consent to the reference to our Firm under the caption "Legal Matters" in the Registration Statement and in the Prospectus. In giving our consent, we do not thereby admit that we are experts with respect to any part of the Registration Statement, the Prospectus or any Prospectus Supplement within the meaning of the term "expert", as used in Section 11 of the Securities Act or the rules and regulations promulgated thereunder, nor do we admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act or the rules and regulations thereunder.

Yours truly,

/s/ K&L Gates LLP

K&L Gates LLP

MOVANO INC.
AMENDED AND RESTATED 2019 OMNIBUS INCENTIVE PLAN

Movano Inc. sets forth herein the terms and conditions of its Amended and Restated 2019 Omnibus Incentive Plan. The Plan was initially adopted by the Board and the stockholders of the Company on March 13, 2018. The Plan, as previously amended and restated, was adopted by the Board effective November 18, 2019, and approved by the stockholders of the Company on December 9, 2019. The Plan, as amended and restated as set forth herein, was adopted by the Board on February 10, 2021, and approved by the stockholders of the Company on February 24, 2021 and shall become effective as of the Effective Date (as defined below).

1. PURPOSE

The Plan is intended to enhance the Company's and its Affiliates' ability to attract and retain employees, Non-Employee Directors and Consultants, and to motivate such employees, Non-Employee Directors and Consultants to serve the Company and its Affiliates and to expend maximum effort to improve the business results and earnings of the Company, by providing to such persons an opportunity to acquire or increase a direct proprietary interest in the operations and future success of the Company. To this end, the Plan provides for the grant of stock options, stock appreciation rights, restricted stock, restricted stock units, unrestricted stock and other share-based awards (all of which under certain circumstances may be settled in cash subject to the terms and conditions of the Plan). Any of these awards may, but need not, be made as performance incentives to reward attainment of performance goals in accordance with the terms and conditions hereof. Stock options granted under the Plan may be Nonqualified Stock Options or Incentive Stock Options, as provided herein.

2. DEFINITIONS

For purposes of interpreting the Plan and related documents (including Award Agreements), the following definitions shall apply:

2.1. "Affiliate" means any company or other trade or business that "controls," is "controlled by" or is "under common control" with the Company within the meaning of Rule 405 of Regulation C under the Securities Act, including any Subsidiary.

2.2. "Award" means a grant under the Plan of an Option, a Stock Appreciation Right, Restricted Stock, Restricted Stock Unit, Other Share-based Award, or Substitute Award.

2.3. "Award Agreement" means a written agreement (including an agreement transmitted and executed electronically) between the Company and a Grantee, or notice from the Company or an Affiliate to a Grantee that evidences and sets out the terms and conditions of an Award.

2.4. "Board" means the Board of Directors of the Company.

2.5. "Business Combination" shall have the meaning set forth in **Section 14.2.2.**

2.6. "Change in Control" shall have the meaning set forth in **Section 14.2.2.**

2.7. "Cause" shall be defined as that term is defined in the Grantee's offer letter or other applicable employment agreement; or, if there is no such definition, "Cause" means, unless otherwise provided in the applicable Award Agreement, as determined by the Company: (i) the conviction of any act by the Grantee constituting financial dishonesty against the Company or its Affiliates; (ii) the Grantee's engaging in any other act of dishonesty, fraud, intentional misrepresentation, moral turpitude, illegality or harassment that would (a) materially adversely affect the business or the reputation of the Company or any of its Affiliates with their respective current or prospective customers, suppliers, lenders or other third parties with whom such entity does or might do business or (b) expose the Company or any of its Affiliates to a risk of civil or criminal legal damages, liabilities or penalties; (iii) the repeated failure by the Grantee to follow the directives of the Chief Executive Officer of the Company or any of its Affiliates, the Board or the Grantee's supervisor; or (iv) any material misconduct, violation of the Company's or Affiliates' policies, or willful and deliberate non-performance of duty by the Grantee in connection with the business affairs of the Company or its Affiliates.

2.8. "Code" means the Internal Revenue Code of 1986, as it may be amended from time to time. Any reference to a section of the Code shall be deemed to include a reference to any regulations promulgated thereunder.

2.9. "Committee" means a committee of members of the Board appointed by the Board to administer the Plan in accordance with Section 3. The Board will cause the Committee to satisfy the applicable requirements of any stock exchange on which the Common Stock may then be listed. For purposes of Awards to Grantees who are subject to Section 16 of the Exchange Act, Committee means all of the members of the Committee who are "non-employee directors" within the meaning of Rule 16b-3 adopted under the Exchange Act.

2.10. "Company" means Movano Inc., a Delaware corporation, or any successor corporation.

2.11. "Common Stock" means the common stock of the Company, par value $0.0001 per share.

2.12. "Consultant" means any person, other than an employee or Non-Employee Director, engaged by the Company or any Affiliate to render personal services to such entity, including as an advisor, and who qualifies as a consultant or advisor under Rule 701 of the Securities Act (during any period in which the Company is not subject to the reporting requirements of the Exchange Act) or Form S-8 (during any period in which the Company is a public company subject to the reporting requirements of the Exchange Act).

2.13. "Disability" shall be defined as that term is defined in the Grantee's offer letter or other applicable employment agreement; or, if there is no such definition, "Disability" means, unless otherwise provided in the applicable Award Agreement, the Grantee is unable to perform each of the essential duties of such Grantee's position by reason of a medically determinable physical or mental impairment that is potentially permanent in character or that can be expected to last for a continuous period of not less than 12 months; *provided*, *however*, that, (i) with respect to rules regarding expiration of an Incentive Stock Option following termination of the Grantee's Service, "Disability" means "permanent and total disability" as set forth in Code Section 22(e)(3), and (ii) with respect to any Award that is subject to Section 409A for which compensation is distributed upon a Grantee's disability, "Disability" for such purpose has the meaning set forth in Code Section 409A(a)(2)(C).

2.14. "Effective Date" means the date the Initial Public Offering is completed.

2.15. "Entity" means a corporation, partnership, limited liability company or other entity.

2.16. "Exchange Act" means the Securities Exchange Act of 1934.

2.17. "Fair Market Value" of a Share as of a particular date means (i) if the Common Stock is listed on a national securities exchange, the closing or last price of the Common Stock on the composite tape or other comparable reporting system for the applicable date, or if the applicable date is not a trading day, the trading day immediately preceding the applicable date, or (ii) if the Common Stock is not then listed on a national securities exchange, the closing or last price of the Common Stock quoted by an established quotation service for over-the-counter securities, or (iii) if the Common Stock is not then listed on a national securities exchange or quoted by an established quotation service for over-the-counter securities, or the value of the Common Stock is not otherwise determinable, such value as determined by the Board but in any event not less than fair market value determined in accordance with Section 409A.

2.18. "Family Member" means a person who is a spouse, former spouse, child, stepchild, grandchild, parent, stepparent, grandparent, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother, sister, brother-in-law or sister-in-law, including adoptive relationships, of the applicable individual, any person sharing the applicable individual's household (other than a tenant or employee), a trust in which any one or more of these persons have more than 50% of the beneficial interest, a foundation in which any one or more of these persons (or the applicable individual) control the management of assets, and any other entity in which one or more of these persons (or the applicable individual) own more than 50% of the voting interests.

2.19. "Grant Date" means the latest to occur of (i) the date as of which the Board approves an Award, (ii) the date on which the recipient of an Award first becomes eligible to receive an Award under **Section 6** or (iii) such other date as may be specified by the Board in the Award Agreement.

2.20. "Grantee" means a person who receives or holds an Award.

2.21. "Holder" means, with respect to any Issued Shares, the person holding such Issued Shares, including the initial Grantee or any Permitted Transferee.

2.22. "Incentive Stock Option" means an "incentive stock option" within the meaning of Code Section 422.

2.23. "Incumbent Directors" shall have the meaning set forth in **Section 14.2.2.**

2.24. "Initial Public Offering" means the initial public offering of Shares pursuant to a registration statement (other than a Form S-8 or successor forms) filed with, and declared effective by, the SEC.

2.25. "Issued Shares" means, collectively, all outstanding Shares issued pursuant to Awards (including outstanding Restricted Stock prior to or after vesting and Shares issued in connection with the exercise of an Option).

2.26. "Non-Employee Director" means a member of the Board or the board of directors of an Affiliate, in each case who is not an officer or employee of the Company or any Affiliate.

2.27. "Nonqualified Stock Option" means an Option that is not an Incentive Stock Option.

2.28. "Offering" shall have the meaning set forth in **Section 16.5**.

2.29. "Option" means an option to purchase one or more Shares pursuant to the Plan, including an Incentive Stock Option and a Nonqualified Stock Option.

2.30. "Option Price" means the exercise price for each Share subject to an Option.

2.31. "Other Share-based Awards" means Awards consisting of Share units, or other Awards, valued in whole or in part by reference to, or otherwise based on, Common Stock, other than Options, SARs, Restricted Stock and Restricted Stock Units.

2.32. "Permitted Transferee" means any of the following to whom a Holder may transfer Issued Shares hereunder (as set forth in **Section 16.11.3**): the Holder's spouse, children (natural or adopted), stepchildren or a trust for their sole benefit of which the Holder is the settlor; *provided however,* that any such trust does not require or permit distribution of any Issued Shares during the term of the Plan unless subject to its terms. Upon the death of the Holder, the term Permitted Transferees shall also include such deceased Holder's estate, executors, administrators, personal representatives, heirs, legatees and distributees, as the case may be.

2.33. "Person" means a person as defined in Section 13(d)(3) of the Exchange Act.

2.34. "Plan" means this Amended and Restated Movano Inc. 2019 Omnibus Incentive Plan, as amended from time to time.

2.35. "Purchase Price" means the purchase price for each Share pursuant to a grant of Restricted Stock.

2.36. "Restricted Period" shall have the meaning set forth in **Section 10.1**.

2.37. "Restricted Stock" means restricted Shares awarded to a Grantee pursuant to **Section 10**.

2.38. "Restricted Stock Unit" means a bookkeeping entry representing the right to receive Shares or their cash equivalent subject to the satisfaction of specified terms and conditions, awarded to a Grantee pursuant to **Section 10**.

2.39. "SAR Exercise Price" means the per Share exercise price of a SAR granted under **Section 9**.

2.40. "SEC" means the U.S. Securities and Exchange Commission.

2.41. "Section 409A" means Code Section 409A.

2.42. "Securities Act" means the Securities Act of 1933.

2.43. "Separation from Service" means the termination of a Service Provider's Service, whether initiated by the Service Provider or the Company or an Affiliate; *provided* that if any Award subject to Section 409A is to be distributed to a Grantee's gross income on a Separation from Service, then the definition of Separation from Service for such purposes shall comply with the definition provided in Section 409A.

2.44. "Service" means service as a Service Provider to the Company or an Affiliate. Unless otherwise provided in the applicable Award Agreement, a Grantee's change in position or duties shall not result in interrupted or terminated Service, so long as such Grantee continues to be a Service Provider to the Company or an Affiliate.

2.45. "Service Provider" means an employee, officer, Non-Employee Director or Consultant of the Company or an Affiliate.

2.46. "Share" means a share of Common Stock of the Company.

2.47. "Stock Appreciation Right" or "SAR" means a right granted to a Grantee under **Section 9**.

2.48. "Stockholder" means a stockholder of the Company.

2.49. "Subsidiary" means any "subsidiary corporation" of the Company within the meaning of Code Section 424(f).

2.50. "Substitute Award" means any Award granted in assumption of or in substitution for an award of a company or business acquired by the Company or an Affiliate or with which the Company or an Affiliate combines.

2.51. "Ten Percent Stockholder" means an individual who owns more than 10% of the total combined voting power of all classes of outstanding stock of the Company, its parent or any of its Subsidiaries. In determining stock ownership, the attribution rules of Code Section 424(d) shall be applied.

2.52. "Termination Date" means the date that is 10 years after the Effective Date, unless the Plan is earlier terminated by the Board under **Section 5.2**.

3. ADMINISTRATION OF THE PLAN

3.1. General

The Board shall have such powers and authorities related to the administration of the Plan as are consistent with the Company's certificate or articles of incorporation, bylaws and applicable law, and as further described herein. To the extent permitted by applicable law, the Board shall have the power and authority to delegate its powers and responsibilities hereunder to the Committee, which shall have full authority to act in accordance with its charter, and with respect to the authority of the Board to act hereunder. All references to the Board shall be deemed to include a reference to the Committee, to the extent such power or responsibilities of the board have been delegated. The Committee shall administer the Plan; *provided* that the Board shall retain the right to exercise the authority of the Committee to the extent consistent with applicable law and the applicable requirements of any securities exchange on which Common Stock may then be listed. Except as specifically provided in **Section 13** or as otherwise may be required by applicable law, regulatory requirement or the certificate or articles of incorporation or the bylaws of the Company, the Board shall have full power and authority to take all actions and to make all determinations required or provided for under the Plan, any Award or any Award Agreement, and shall have full power and authority to take all such other actions and make all such other determinations not inconsistent with the specific terms and conditions of the Plan that the Board deems to be necessary or appropriate to the administration of the Plan. The actions, determinations, interpretation, construction and decisions by the Board with respect to the Plan, any Award or any Award Agreement shall be in the Board's sole discretion and shall be final, binding and conclusive. Without limitation, the Board shall have full and final power and authority, subject to the other terms and conditions of the Plan, to:

(i) construe and interpret the Plan and apply its provisions;

(ii) designate Grantees;

(iii) determine the type or types of Awards to be made to Grantees and the applicable Grant Date;

(iv) determine the number of Shares to be subject to an Award;

(v) establish the terms and conditions of each Award (including the Option Price of any Option, the SAR Exercise Price of any SAR, the nature and duration of any restriction or condition (or provision for lapse thereof) relating to the vesting, exercise, transfer or forfeiture of an Award or the Shares subject thereto and any terms or conditions that may be necessary to qualify Options as Incentive Stock Options);

(vi) prescribe the form of each Award Agreement;

(vii) amend, modify or supplement the terms and conditions of any outstanding Award including the authority, in order to effectuate the purposes of the Plan, to modify Awards to foreign nationals or individuals who are employed outside the U.S to recognize differences in local law, tax policy or custom;

(viii) promulgate, amend, and rescind rules and regulations relating to the administration of the Plan;

(ix) to authorize any person to execute, on behalf of the Company, any instrument required to carry out the purposes of the Plan; and

(x) to modify the Option Price or SAR Exercise Price of any outstanding Option or SAR, provided that if the modification effects a repricing, shareholder approval shall not be required before the repricing is effective.

3.2. Committee Composition

Except as otherwise determined by the Board, the Committee shall consist solely of two or more Non-Employee Directors. The Board will cause the Committee to satisfy the applicable requirements of any stock exchange on which the Common Stock may then be listed. For purposes of Awards to Grantees who are subject to Section 16 of the Exchange Act, Committee means all of the members of the Committee who are "non-employee directors" within the meaning of Rule 16b-3 adopted under the Exchange Act. To the extent permitted by applicable law, the Board or the Committee may delegate its authority to grant Awards to any individual or committee of individuals who are not Grantees subject to Section 16 of the Exchange Act. To the extent that the Board delegates its authority to make Awards as provided by this **Section 3.2**, and to the extent permitted by applicable law, all references in the Plan to the Board's authority to make Awards and determinations with respect thereto shall be deemed to include the Board's delegate. Any such delegate shall serve at the pleasure of, and may be removed at any time by the Board. Nothing herein shall create an inference that an Award is not validly granted under the Plan in the event Awards are granted under the Plan by a compensation committee of the Board that does not at all times consist solely of two or more Non-Employee Directors.

3.3. Award Agreements; Clawbacks

The grant of any Award may be contingent upon the Grantee executing the appropriate Award Agreement. The Company may retain the right in an Award Agreement to cause a forfeiture of the gain realized by a Grantee on account of actions taken by the Grantee in violation or breach of or in conflict with any employment agreement, non-competition agreement, any agreement prohibiting solicitation of employees or clients of the Company or any Affiliate thereof or any confidentiality obligation with respect to the Company or any Affiliate thereof, or upon the Grantee's otherwise engaging in competition with the Company or any Affiliate thereof, to the extent specified in such Award Agreement applicable to the Grantee. Furthermore, the Company may annul an Award if the Grantee is terminated for Cause.

All Awards and any amounts or benefits received or outstanding under the Plan shall be subject to clawback, cancellation, recoupment, rescission, payback, reduction or other similar action in accordance with any applicable Company clawback or similar policy ("Clawback Policy") or any applicable law related to such actions. In addition, a Grantee may be required to repay to the Company previously paid compensation whether provided pursuant to the Plan or an Award Agreement in accordance with the Clawback Policy. A Grantee's acceptance of an Award shall be deemed to constitute the Grantee's acknowledgement of and consent to the Company's application, implementation and enforcement of any applicable Company clawback or similar policy that may apply to the Grantee, whether adopted before or after the Effective Date or, with respect to an Award, the Grant Date of such Award, and any provision of applicable law relating to clawback, cancellation, recoupment, rescission payback, or reduction of compensation, and to the Grantee's agreement that the Company may take any actions that may be necessary to effectuate any such policy or applicable law, without further consideration or action.

3.4. Deferral Arrangement

The Board may permit or require the deferral of any Award payment into a deferred compensation arrangement, subject to such rules and procedures as it may establish and in accordance with Section 409A, which may include provisions for the payment or crediting of interest or dividend equivalents, including converting such credits into deferred Share units.

3.5. No Liability

No member of the Board or of the Committee shall be liable for any action or determination made in good faith with respect to the Plan, any Award or Award Agreement.

3.6. Book Entry

Notwithstanding any other provision of the Plan, the Company may elect to satisfy any requirement under the Plan for the delivery of stock certificates through the use of book entry.

4. STOCK SUBJECT TO THE PLAN

4.1. Authorized Number of Shares

Subject to adjustment under **Section 14**, the total number of Shares authorized to be awarded under the Plan is (a) 4,000,000, plus (b) effective September 30, 2020, 500,000, plus (c), effective December 7, 2020, 1,500,000, plus (c) effective as of the Effective Date, 1,400,000. Shares issued under the Plan shall consist in whole or in part of authorized but unissued Shares, treasury Shares, or Shares purchased on the open market or otherwise, all as determined by the Company from time to time

4.2. Share Counting

4.2.1. General

Each Share granted in connection with an Award shall be counted as one Share against the limit in **Section 4.1**, subject to the provisions of this **Section 4.2**.

4.2.2. Cash-Settled Awards

Any Award settled in cash shall not be counted as issued Shares for any purpose under the Plan.

4.2.3. Expired or Terminated Awards

If any Award expires, or is terminated, surrendered or forfeited, in whole or in part, the unissued Shares covered by such Award shall again be available for the grant of Awards.

4.2.4. Repurchased, Surrendered, or Forfeited Awards

If Issued Shares are repurchased by, or are surrendered or forfeited to the Company at no more than cost, such Shares shall again be available for the grant of Awards.

4.2.5. Payment of Option Price or Tax Withholding in Shares

Shares subject to an Award under the Plan shall again be made available for issuance or delivery under the Plan if such Shares are (i) Shares withheld in payment of an Option, (ii) Shares withheld by the Company to satisfy any tax withholding obligation, (iii) Shares covered by a Share-settled SAR or other Shares that were not issued upon the settlement of the SAR.

4.2.6. Substitute Awards

Substitute Awards shall not be counted against the number of Shares reserved under the Plan.

4.3. Award Limits

4.3.1. Incentive Stock Options

Subject to adjustment under **Section 14** and to Stockholder approval, 7,400,000 shares shall be available for issuance as Incentive Stock Options Under the Plan.

4.3.2. Limits on Awards to Non-Employee Directors

The maximum value of Awards granted during any calendar year to any non-employee member of the Board, taken together with any cash fees paid to such non-employee member of the Board during the calendar year and the value of awards granted to the non-employee member of the Board under any other equity compensation plan of the Company or an Affiliate during the calendar year, shall not exceed $500,000 (calculating the value of any Awards or other equity compensation plan awards based on the grant date fair value for financial reporting purposes); provided, however, that Awards granted to a non-employee member of the Board upon his or her initial election to the Board shall not be counted towards the limit under this **Section 4.3.2**. The Board may make exceptions to the limit in this paragraph in extraordinary circumstances for an individual non-employee member of the Board; provided that the director receiving such additional compensation may not participate in the decision to award such compensation.

5. EFFECTIVE DATE, DURATION AND AMENDMENTS

5.1. Term

The Plan shall be effective as of the Effective Date. The Plan shall terminate automatically on the 10-year anniversary of the Effective Date and may be terminated on any earlier date as provided in **Section 5.2**.

5.2. Amendment and Termination of the Plan

The Board may, at any time and from time to time, amend, suspend or terminate the Plan as to any Awards that have not been made. An amendment shall be contingent on approval of the Stockholders to the extent stated by the Board, required by applicable law or required by applicable securities exchange listing requirements. No Awards may be granted after the Termination Date. The applicable terms and conditions of the Plan, and any terms and conditions applicable to Awards granted prior to the Termination Date shall survive the termination of the Plan and continue to apply to such Awards. No amendment, suspension or termination of the Plan shall, without the consent of the Grantee, materially impair rights or obligations under any Award theretofore awarded. An amendment to change the terms of an Incentive Stock Option, if such change results in impairment of the Award only because it impairs the qualified status of the Award as an Incentive Stock Option under Code Section 422, shall not be considered to materially impair the rights or obligation under the Incentive Stock Option theretofore awarded.

6. AWARD ELIGIBILITY AND LIMITATIONS

6.1. Service Providers

Subject to this **Section 6.1**, Awards may be made to any Service Provider as the Board may determine and designate from time to time, subject to **Section 8.7** in the case of an Incentive Stock Option. To the extent permitted by applicable laws, the Board may grant an Award to a person who is reasonably expected to become a Service Provider provided that such grant is contingent upon such person becoming a Service Provider.

6.2. Successive Awards

A Service Provider may receive more than one Award, subject to such restrictions as are provided herein.

6.3. Stand-Alone, Additional, Tandem, and Substitute Awards

Subject to the requirements of applicable law, awards may be granted either alone or in addition to, in tandem with or in substitution or exchange for, any other Award or any award granted under another plan of the Company, any Affiliate or any business entity to be acquired by the Company or an Affiliate, or any other right of a Grantee to receive payment from the Company or any Affiliate. Such additional, tandem, substitute or exchange Awards may be granted at any time. If an Award is granted in substitution or exchange for another award, the Board shall have the right to require the surrender of such other award in consideration for the grant of the new Award. In addition, Awards may be granted in lieu of cash compensation, including in lieu of cash amounts payable under other plans of the Company or any Affiliate, in which the value of Shares subject to the Award is equivalent in value to the cash compensation (for example, Restricted Stock Units or Restricted Stock).

7. AWARD AGREEMENT

Each Award shall be evidenced by an Award Agreement, in such form or forms as the Board shall from time to time determine. Without limiting the foregoing, an Award Agreement may be provided in the form of a notice that provides that acceptance of the Award constitutes acceptance of all terms and conditions of the Plan and the notice. Award Agreements granted from time to time or at the same time need not contain similar provisions but shall be consistent with the terms and conditions of the Plan. Each Award Agreement evidencing an Award of Options shall specify whether such Options are intended to be Nonqualified Stock Options or Incentive Stock Options, and in the absence of such specification such options shall be deemed Nonqualified Stock Options.

8. TERMS AND CONDITIONS OF OPTIONS

8.1. Option Price

The Option Price of each Option shall be fixed by the Board and stated in the related Award Agreement. Each Option shall be separately designated in the Award Agreement as either an Incentive Stock Option or a Nonqualified Stock Option. Except as otherwise determined by the Board, the Option Price of each Option (except those that constitute Substitute Awards) shall be at least the Fair Market Value of a Share on the Grant Date; *provided*, *however*, that in the event that a Grantee is a Ten Percent Stockholder as of the Grant Date, the Option Price of an Option granted to such Grantee that is intended to be an Incentive Stock Option shall be not less than 110% of the Fair Market Value of a Share on the Grant Date. In no case shall the Option Price of any Option be less than the par value of a Share.

8.2. Vesting

Subject to **Section 8.3**, each Option shall become exercisable at such times and under such terms and conditions (including performance requirements) as determined by the Board and stated in the Award Agreement. No Option may be exercised for a fraction of a Share. The Board may, but shall not be required to, provide for an acceleration of vesting and exercisability in the terms of any Award Agreement upon the occurrence of a specified event.

8.3. Term

Each Option shall terminate, and all rights to purchase Shares thereunder shall cease, upon the expiration of a period not to exceed 10 years from the Grant Date, or under such circumstances and on any date prior thereto as is set forth in the Plan or as may be fixed by the Board and stated in the related Award Agreement; *provided*, *however*, that in the event that the Grantee is a Ten Percent Stockholder, an Option granted to such Grantee that is intended to be an Incentive Stock Option at the Grant Date shall not be exercisable after the expiration of five years from its Grant Date.

8.4. Limitations on Exercise of Option

Notwithstanding any other provision of the Plan, in no event may any Option be exercised, in whole or in part after the occurrence of an event that results in termination of the Option.

8.5. Method of Exercise

An Option that is exercisable may be exercised by the Grantee's delivery of a notice of exercise to the Company, setting forth the number of Shares with respect to which the Option is to be exercised, accompanied by full payment for the Shares and any tax withholdings. To be effective, notice of exercise must be made in accordance with procedures established by the Company from time to time.

8.6. Rights of Holders of Options

Unless otherwise provided in the applicable Award Agreement, an individual holding or exercising an Option shall have none of the rights of a Stockholder (for example, the right to receive cash or dividend payments or distributions attributable to the subject Shares or to direct the voting of the subject Shares) until the Shares covered thereby are fully paid and issued to him or her. Except as provided in **Section 14** or the related Award Agreement, no adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date of such issuance.

8.7. Limitations on Incentive Stock Options

An Option shall constitute an Incentive Stock Option only (i) if the Grantee of such Option is an employee of the Company or any Subsidiary of the Company on the Grant Date, (ii) to the extent specifically provided in the related Award Agreement and (iii) to the extent that the aggregate Fair Market Value of the Shares (determined at the time the Option is granted) with respect to which all Incentive Stock Options held by such Grantee become exercisable for the first time during any calendar year (under the Plan and all other plans of the Grantee's employer and its Affiliates) does not exceed $100,000. This limitation shall be applied by taking Options into account in the order in which they were granted. No Option shall be treated as an Incentive Stock Option unless the Plan has been approved by the Stockholders in a manner intended to comply with the stockholder approval requirements of Code Section 422; *provided* that any Option intended to be an Incentive Stock Option shall not fail to be effective solely on account of a failure to obtain such approval, but rather such Option shall be treated as a Nonstatutory Stock Option unless and until such approval is obtained. In addition, an Incentive Stock Option shall be treated as a Nonstatutory Stock Option to the extent provided under Code Section 422.

8.8. Early Exercise

An Option may include a term that allows the Grantee to elect at any time before the Grantee's Separation from Service to exercise the Option as to any part or all of the Shares subject to the Option prior to the full vesting of the Option.

9. TERMS AND CONDITIONS OF STOCK APPRECIATION RIGHTS

9.1. Right to Payment

A SAR shall confer on the Grantee a right to receive, upon exercise thereof, the excess of (1) the Fair Market Value of one Share on the date of exercise over (2) the SAR Exercise Price. The Award Agreement for a SAR (except those that constitute Substitute Awards) shall specify the SAR Exercise Price, which shall be fixed on the Grant Date and, except as otherwise determined by the Board, shall not be less than the Fair Market Value of a Share on that date. SARs may be granted alone or in conjunction with all or part of an Option or at any subsequent time during the term of such Option or in conjunction with all or part of any other Award. A SAR granted in tandem with an outstanding Option after the Grant Date of such Option shall have a SAR Exercise Price that is equal to the Option Price.

9.2. Other Terms

The Board shall determine at the Grant Date the time or times at which and the circumstances under which a SAR may be exercised in whole or in part (including based on achievement of performance goals and/or future service requirements), the time or times at which SARs shall cease to be or become exercisable after Separation from Service or upon other terms or conditions, the method of exercise, whether or not a SAR shall be in tandem or in combination with any other Award, and any other terms and conditions of any SAR.

9.3. Term of SARs

The term of a SAR granted under the Plan shall be determined by the Board and stated in the related Award Agreement; *provided*, *however*, that such term shall not exceed 10 years.

9.4. Payment of SAR Amount

Upon exercise of a SAR, a Grantee shall be entitled to receive payment from the Company (in cash or Shares and subject to tax withholding) in an amount determined by multiplying:

(1) the difference between the Fair Market Value of a Share on the date of exercise over the SAR Exercise Price; by

(2) the number of Shares with respect to which the SAR is exercised.

10. TERMS AND CONDITIONS OF RESTRICTED STOCK AND RESTRICTED STOCK UNITS

10.1. Restrictions

At the time of grant, the Board may establish a period of time (a "**Restricted Period**") and any additional restrictions including the satisfaction of corporate or individual performance objectives applicable to an Award of Restricted Stock or Restricted Stock Units. Each Award of Restricted Stock or Restricted Stock Units may be subject to a different Restricted Period and additional restrictions. Neither Restricted Stock nor Restricted Stock Units may be sold, transferred, assigned, pledged or otherwise encumbered or disposed of during the Restricted Period or prior to the satisfaction of any other applicable restrictions.

10.2. Restricted Stock Certificates

The Company shall issue Shares, in the name of each Grantee to whom Restricted Stock has been granted, stock certificates or other evidence of ownership representing the total number of Shares of Restricted Stock granted to the Grantee, as soon as reasonably practicable after the Grant Date. The Board may provide in an Award Agreement that either (i) the Secretary of the Company shall hold such certificates for the Grantee's benefit until such time as the Restricted Stock is forfeited to the Company or the restrictions lapse, or (ii) such certificates shall be delivered to the Grantee; *provided*, *however*, that such certificates shall bear a legend or legends that comply with the applicable securities laws and regulations and make appropriate reference to the restrictions imposed under the Plan and the Award Agreement.

10.3. Rights of Holders of Restricted Stock

Unless otherwise provided in the applicable Award Agreement and subject to **Section 16.11.3**, holders of Restricted Stock shall have rights as stockholders of the Company, including voting and dividend rights.

10.4. Rights of Holders of Restricted Stock Units

10.4.1. Settlement of Restricted Stock Units

Restricted Stock Units may be settled in cash or Shares, as determined by the Board and set forth in the Award Agreement. The Award Agreement shall also set forth whether the Restricted Stock Units shall be settled (i) within the time period specified for "short term deferrals" under Section 409A or (ii) otherwise within the requirements of Section 409A, in which case the Award Agreement shall specify upon which events such Restricted Stock Units shall be settled.

10.4.2. Voting and Dividend Rights

Unless otherwise provided in the applicable Award Agreement and subject to **Section 16.11.3**, holders of Restricted Stock Units shall not have rights as stockholders of the Company, including voting or dividend or dividend equivalents rights.

10.4.3. Creditor's Rights

A holder of Restricted Stock Units shall have no rights other than those of a general creditor of the Company. Restricted Stock Units represent an unfunded and unsecured obligation of the Company, subject to the terms and conditions of the applicable Award Agreement.

10.5. Purchase of Restricted Stock

The Grantee shall be required, to the extent required by applicable law, to purchase the Restricted Stock from the Company at a Purchase Price equal to the greater of (i) the aggregate par value of the Restricted Stock or (ii) the Purchase Price, if any, specified in the related Award Agreement. If specified in the Award Agreement, the Purchase Price may be deemed paid by Services already rendered. The Purchase Price shall be payable in a form described in **Section 11** or, if so determined by the Board, in consideration for past Services rendered.

10.6. Delivery of Shares

Upon the expiration or termination of any Restricted Period and the satisfaction of any other terms and conditions prescribed by the Board, the restrictions applicable to Restricted Stock or Restricted Stock Units settled in Shares shall lapse, and, unless otherwise provided in the applicable Award Agreement, a stock certificate (or other evidence of ownership) for such Shares shall be delivered, free of all such restrictions, to the Grantee or the Grantee's beneficiary or estate, as the case may be.

11. FORM OF PAYMENT FOR OPTIONS AND RESTRICTED STOCK

11.1. General Rule

Payment of the Option Price for the Shares purchased pursuant to the exercise of an Option or the Purchase Price for Restricted Stock shall be made in cash or in cash equivalents acceptable to the Company, except as provided in this **Section 11**.

11.2. Surrender of Shares

To the extent the Award Agreement so provides, payment of the Option Price for Shares purchased pursuant to the exercise of an Option or the Purchase Price for Restricted Stock may be made all or in part through the tender to the Company of Shares, which Shares shall be valued, for purposes of determining the extent to which the Option Price or Purchase Price for Restricted Stock has been paid thereby, at their Fair Market Value on the date of exercise or surrender. Notwithstanding the foregoing, in the case of an Incentive Stock Option, the right to make payment in the form of already-owned Shares may be authorized only at the time of grant.

11.3. Cashless Exercise

With respect to an Option only (and not with respect to Restricted Stock), to the extent permitted by law and to the extent the Award Agreement so provides, payment of the Option Price may be made all or in part by delivery (on a form acceptable to the Company) of an irrevocable direction to a licensed securities broker acceptable to the Company to sell Shares and to deliver all or part of the sales proceeds to the Company in payment of the Option Price.

11.4. Other Forms of Payment

To the extent the Award Agreement so provides, payment of the Option Price or the Purchase Price for Restricted Stock may be made in any other form that is consistent with applicable laws, regulations and rules, including the Company's withholding of Shares otherwise due to the exercising Grantee.

12. OTHER SHARE-BASED AWARDS

12.1. Grant of Other Share-based Awards

Other Share-based Awards may be granted either alone or in addition to or in conjunction with other Awards. Other Share-based Awards may be granted in lieu of other cash or other compensation to which a Service Provider is entitled from the Company or may be used in the settlement of amounts payable in Shares under any other compensation plan or arrangement of the Company. Subject to the provisions of the Plan, the Board shall have the authority to determine the persons to whom and the time or times at which such Awards will be made, the number of Shares to be granted pursuant to such Awards, and all other terms and conditions of such Awards. Unless the Board determines otherwise, any such Award shall be confirmed by an Award Agreement, which shall contain such provisions as the Board determines to be necessary or appropriate to carry out the intent of the Plan with respect to such Award.

12.2. Terms of Other Share-based Awards

Any Common Stock subject to Awards made under this **Section 12** may not be sold, assigned, transferred, pledged or otherwise encumbered prior to the date on which the Shares are issued, or, if later, the date on which any applicable restriction, performance or deferral period lapses.

13. REQUIREMENTS OF LAW

13.1. General

The Company shall not be required to sell or issue any Shares under any Award if the sale or issuance of such Shares would constitute a violation by the Grantee, any other individual, or the Company of any law or regulation of any governmental authority, including any federal or state securities laws or regulations. If at any time the Company determines that the listing, registration or qualification of any Shares subject to an Award upon any securities exchange or under any governmental regulatory body is necessary or desirable as a term or condition of, or in connection with, the issuance or purchase of Shares hereunder, no Shares may be issued or sold to the Grantee or any other individual pursuant to such Award unless such listing, registration, qualification, consent or approval shall have been effected or obtained free of any terms or conditions not acceptable to the Company, and any delay caused thereby shall in no way affect the date of termination of the Award to the extent permitted by applicable laws. Specifically, in connection with the Securities Act, upon the exercise of any Option or the delivery of any Shares underlying an Award, unless a registration statement under such Act is in effect with respect to the Shares covered by such Award, the Company shall not be required to sell or issue such Shares unless the Board has received evidence satisfactory to it that the Grantee or any other individual exercising an Option may acquire such Shares pursuant to an exemption from registration under the Securities Act. The Company may, but shall in no event be obligated to, register any securities covered hereby pursuant to the Securities Act. The Company shall not be obligated to take any affirmative action in order to cause the exercise of an Option or the issuance of Shares pursuant to the Plan to comply with any law or regulation of any governmental authority. As to any jurisdiction that expressly imposes the requirement that an Option shall not be exercisable until the Shares covered by such Option are registered or are exempt from registration, the exercise of such Option (under circumstances in which the laws of such jurisdiction apply) shall be deemed conditioned upon the effectiveness of such registration or the availability of such an exemption. The Board may require the Grantee to sign such additional documentation, make such representations, and furnish such information as the Board may consider appropriate in connection with the grant of Awards or issuance or delivery in compliance with applicable laws.

13.2. Rule 16b-3

During any time when the Company has a class of equity security registered under Section 12 of the Exchange Act, it is the intent of the Company that Awards and the exercise of Options granted Grantees who are subject to Section 16 of the Exchange Act hereunder will qualify for the exemption provided by Rule 16b-3 under the Exchange Act. To the extent that any provision of the Plan or action by the Board or Committee does not comply with the requirements of Rule 16b-3, it shall be deemed inoperative to the extent permitted by law and deemed advisable by the Board, and shall not affect the validity of the Plan. In the event that Rule 16b-3 is revised or replaced, the Board may modify the Plan in any respect necessary to satisfy the requirements of, or to take advantage of any features of, the revised exemption or its replacement.

14. EFFECT OF CHANGES IN CAPITALIZATION

14.1. Adjustments for Changes in Capital Structure

Subject to any required action by the Stockholders, in the event of any change in the Common Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the Stockholders in a form other than Shares (excepting normal cash dividends) that has a material effect on the Fair Market Value, appropriate and proportionate adjustments shall be made in the number and class of shares subject to the Plan and to any outstanding Awards, and in the Option Price, SAR Exercise Price or Purchase Price per Share of any outstanding Awards in order to prevent dilution or enlargement of Grantees' rights under the Plan. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as "effected without receipt of consideration by the Company." If a majority of the Shares which are of the same class as the Shares that are subject to outstanding Awards are exchanged for, converted into, or otherwise become (whether or not pursuant to a Change in Control) shares of another corporation (the "**New Shares**"), the Board may unilaterally amend the outstanding Awards to provide that such Awards are for New Shares. In the event of any such amendment, the number of Shares subject to, and the Option Price, SAR Exercise Price or Purchase Price per Share of, the outstanding Awards shall be adjusted in a fair and equitable manner. Any fractional share resulting from an adjustment pursuant to this **Section 14.1** shall be rounded down to the nearest whole number and the Option Price, SAR Exercise Price or Purchase Price per share shall be rounded up to the nearest whole cent. In no event may the exercise price of any Award be decreased to an amount less than the par value, if any, of the stock subject to the Award. The Board may also make such adjustments in the terms of any Award to reflect, or related to, such changes in the capital structure of the Company or distributions as it deems appropriate. Adjustments determined by the Board pursuant to this **Section 14.1** shall be made in accordance with Section 409A to the extent applicable.

14.2. Change in Control

14.2.1. Consequences of a Change in Control

Subject to the requirements and limitations of Section 409A if applicable, the Board may provide for any one or more of the following in connection with a Change in Control, which such actions need not be the same for all Grantees:

(a) **Accelerated Vesting.** The Board may provide in any Award Agreement, or in the event of a Change in Control may take such actions as it deems appropriate to provide, for the acceleration of the exercisability, vesting and/or settlement in connection with such Change in Control of each or any outstanding Award or portion thereof and Shares acquired pursuant thereto upon such terms and conditions, including a Grantee's Separation from Service prior to, upon, or following such Change in Control, to such extent as determined by the Board.

(b) **Assumption, Continuation or Substitution.** In the event of a Change in Control, the surviving, continuing, successor or purchasing corporation or other business entity or parent thereof, as the case may be (the "**Acquiror***"*), may, without the consent of any Grantee, either assume or continue the Company's rights and obligations under each or any Award or portion thereof outstanding immediately prior to the Change in Control or substitute for each or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquiror's stock, as applicable. For purposes of this **Section 14.2.1**, an Award denominated in Shares shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the Plan and the applicable Award Agreement, for each Share subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a Stockholder on the effective date of the Change in Control was entitled; *provided*, *however*, that if such consideration is not solely common stock of the Acquiror, the Board may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise or settlement of the Award, for each Share subject to the Award, to consist solely of common stock of the Acquiror equal in Fair Market Value to the per Share consideration received by Stockholders pursuant to the Change in Control. If any portion of such consideration may be received by Stockholders pursuant to the Change in Control on a contingent or delayed basis, the Board may (but is not obligated to) determine such Fair Market Value as of the time of the Change in Control on the basis of the Board's estimate of the present value of the probable future payment of such consideration. Any Award or portion thereof which is neither assumed or continued by the Acquiror in connection with the Change in Control nor exercised or settled as of the time of consummation of the Change in Control shall terminate and cease to be outstanding effective as of the time of consummation of the Change in Control.

(c) **Cash-Out of Awards.** The Board may, without the consent of any Grantee, determine that, upon the occurrence of a Change in Control, each or any Award or a portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled shall be canceled in exchange for a payment with respect to each vested Share (and each unvested Share, if so determined by the Board) subject to such canceled Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity a party to the Change in Control or (iii) other property which, in any such case, shall be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per Share in the Change in Control, reduced by the exercise or purchase price per Share, if any, under such Award. If any portion of such consideration may be received by Stockholders pursuant to the Change in Control on a contingent or delayed basis, the Board may (but is not obligated to) determine such Fair Market Value as of the time of the Change in Control on the basis of the Board's estimate of the present value of the probable future payment of such consideration. In the event such determination is made by the Board, the amount of such payment (reduced by applicable withholding taxes, if any) shall be paid to Grantees in respect of the vested portions of their canceled Awards as soon as practicable following the date of the Change in Control and in respect of the unvested portions of their canceled Awards in accordance with the vesting schedules applicable to such Awards. For avoidance of doubt, if the amount determined pursuant to this **Section 14.2.1(c)** for an Option or SAR is zero or less, the affected Option or SAR may be cancelled without any payment therefore.

14.2.2. Change in Control Defined

Unless other provided in the applicable Award Agreement, a "**Change in Control**" means the consummation of any of the following events following the Restatement Effective Date:

(a) the acquisition, other than from the Company, by any individual, entity or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act), other than the Company or any subsidiary, affiliate (within the meaning of Rule 144 promulgated under the Securities Act) or employee benefit plan of the Company, of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 50% of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors (the "**Voting Securities**"); or

(b) a reorganization, merger, consolidation or recapitalization of the Company (a "**Business Combination**"), other than a Business Combination in which more than 50% of the combined voting power of the outstanding voting securities of the surviving or resulting entity immediately following the Business Combination is held by the persons who, immediately prior to the Business Combination, were the holders of the Voting Securities; or

(c) a complete liquidation or dissolution of the Company, or a sale of all or substantially all of the assets of the Company; or

(d) during any period of 24 consecutive months, the Incumbent Directors cease to constitute a majority of the Board ; "**Incumbent Directors**" means individuals who were members of the Board at the beginning of such period or individuals whose election or nomination for election to the Board by the Stockholders was approved by a vote of at least a majority of the then Incumbent Directors (but excluding any individual whose initial election or nomination is in connection with an actual or threatened proxy contest relating to the election of directors).

Notwithstanding the foregoing, if it is determined that an Award is subject to the requirements of Section 409A and payable upon a Change in Control, the Company will not be deemed to have undergone a Change in Control for purposes of the Plan unless the Company is deemed to have undergone a "change in control event" pursuant to the definition of such term in Section 409A.

14.3. Adjustments

Adjustments under this **Section 14** related to Shares or other securities of the Company shall be made by the Board. No fractional Shares or other securities shall be issued pursuant to any such adjustment, and any fractions resulting from any such adjustment shall be eliminated in each case by rounding downward to the nearest whole Share.

15. NO LIMITATIONS ON COMPANY

The grant of Awards shall not affect or limit in any way the right or power of the Company to make adjustments, reclassifications, reorganizations or changes of its capital or business structure or to merge, consolidate, dissolve or liquidate, or to sell or transfer all or any part of its business or assets.

16. TERMS APPLICABLE GENERALLY TO AWARDS

16.1. Disclaimer of Rights

No provision in the Plan or in any Award Agreement shall be construed to confer upon any individual the right to remain in the employ or service of the Company or any Affiliate, or to interfere in any way with any contractual or other right or authority of the Company or any Affiliate either to increase or decrease the compensation or other payments to any individual at any time, or to terminate any employment or other relationship between any individual and the Company or any Affiliate. In addition, notwithstanding anything contained in the Plan to the contrary, unless otherwise provided in the applicable Award Agreement, no Award shall be affected by any change of duties or position of the Grantee, so long as such Grantee continues to be a Service Provider. The obligation of the Company to pay any benefits pursuant to the Plan shall be interpreted as a contractual obligation to pay only those amounts described herein, in the manner and under the terms and conditions prescribed herein. The Plan shall in no way be interpreted to require the Company to transfer any amounts to a third party trustee or otherwise hold any amounts in trust or escrow for payment to any Grantee or beneficiary under the Plan.

16.2. Nonexclusivity of the Plan

Neither the adoption of the Plan nor the submission of the Plan to the Stockholders for approval shall be construed as creating any limitations upon the right and authority of the Board to adopt such other compensation arrangements as the Board or its delegate determines desirable.

16.3. Withholding Taxes

The Company or an Affiliate, as the case may be, shall have the right to deduct from payments of any kind otherwise due to a Grantee any federal, state or local taxes of any kind required by law to be withheld (i) with respect to the vesting of or other lapse of restrictions applicable to an Award, (ii) upon the issuance of any Shares upon the exercise of an Option or settlement of a Restricted Stock Unit or (iii) otherwise due in connection with an Award. At the time of such vesting, lapse or exercise, the Grantee shall pay to the Company or the Affiliate, as the case may be, any amount that the Company or the Affiliate may reasonably determine to be necessary to satisfy such withholding obligation. The Company or the Affiliate, as applicable, may require or permit the Grantee to satisfy such obligations, in whole or in part, (i) by causing the Company or the Affiliate to withhold up to the maximum required number of Shares otherwise issuable to the Grantee as may be necessary to satisfy such withholding obligation, (ii) by delivering to the Company or the Affiliate Shares already owned by the Grantee or (iii) by using the method set forth in **Section 11.3**. The Shares so delivered or withheld shall have an aggregate Fair Market Value equal to such withholding obligations. The Fair Market Value of the Shares used to satisfy such withholding obligation shall be determined by the Company or the Affiliate as of the date that the amount of tax to be withheld is to be determined. To the extent applicable, a Grantee may satisfy his or her withholding obligation only with Shares that are not subject to any repurchase, forfeiture, unfulfilled vesting or other similar requirements. The Company may in its discretion withhold or taxes by considering statutory or other withholding rates, including minimum or maximum rates applicable in the Grantee's jurisdiction(s).

16.4. [Reserved].

16.5. Market Standoff Requirement.

Unless otherwise provided in the applicable Award Agreement, Stockholders' agreement or other agreement to which a Grantee is a party, in connection with any underwritten public offering of its Common Stock ("**Offering**") and upon request of the Company or the underwriters managing the Offering, Grantees shall not be permitted to sell, make any short sale of, loan, grant any option for the purchase of or otherwise directly or indirectly dispose of any Common Stock delivered under the Plan (other than those Shares included in the Offering) without the prior written consent of the Company or such underwriters, as the case may be, for such period of time from the effective date of the registration statement with respect to such Offering as may be requested by the Company or such managing underwriters and to execute an agreement reflecting the foregoing as may be requested by the underwriters in connection with such Offering.

16.6. Other Provisions

Each Award Agreement may contain such other terms and conditions not inconsistent with the Plan as may be determined by the Board. In the event of any conflict between the terms and conditions of an employment agreement and the Plan, the terms and conditions of the employment agreement shall govern.

16.7. Severability

If any provision of the Plan or any Award Agreement shall be determined to be illegal or unenforceable by any court of law in any jurisdiction, the remaining provisions hereof and thereof shall be severable and enforceable in accordance with their terms and conditions, and all provisions shall remain enforceable in any other jurisdiction.

16.8. Governing Law

The Plan and all Award Agreements shall be construed in accordance with and governed by the laws of the State of Delaware without regard to the principles of conflicts of law that could cause the application of the laws of any jurisdiction other than the State of Delaware. For purposes of resolving any dispute that arises under the Plan, each Grantee, by virtue of receiving an Award, shall be deemed to have submitted to and consented to the exclusive jurisdiction of the state of California and to have agreed that any related litigation shall be conducted solely in the courts of Alameda County, California or the federal courts for the U.S. for the Northern District of California, where the Plan is made and to be performed, and no other courts. The Plan is not intended to be subject to the Employee Retirement Income Security Act of 1974.

16.9. Section 409A

The Plan is intended to comply with Section 409A to the extent subject thereto, and, accordingly, to the maximum extent permitted, the Plan shall be interpreted and administered to be in compliance therewith. Any payments described in the Plan that are due within the "short-term deferral period" as defined in Section 409A shall not be treated as deferred compensation unless applicable laws require otherwise. For purposes of Section 409A, each installment payment under the Plan shall be treated as a separate payment. Notwithstanding anything to the contrary in the Plan, to the extent required to avoid accelerated taxation and tax penalties under Section 409A, amounts that would otherwise be payable and benefits that would otherwise be provided pursuant to the Plan during the six-month period immediately following the Grantee's Separation from Service shall instead be paid on the first payroll date after the six-month anniversary of the Grantee's Separation from Service (or the Grantee's death, if earlier). Notwithstanding the foregoing, neither the Company nor the Board shall have any obligation to take any action to prevent the assessment of any additional tax or penalty on any Grantee under Section 409A and neither the Company nor the Board shall have any liability to any Grantee for such tax or penalty.

16.10. Separation from Service

The Board shall determine the effect of a Separation from Service upon Awards, and such effect shall be set forth in the applicable Award Agreement. Without limiting the foregoing, the Board may provide in the Award Agreements at the time of grant, or any time thereafter with the consent of the Grantee, the actions that may be taken upon the occurrence of a Separation from Service, including accelerated vesting or termination, depending upon the circumstances surrounding the Separation from Service.

16.11. Transferability of Awards

16.11.1. Transfers in General

Except as provided in **Section 16.11.2**, no Award shall be assignable or transferable by the Grantee to whom it is granted, other than by will or the laws of descent and distribution, and, during the lifetime of the Grantee, only the Grantee personally (or the Grantee's personal representative) may exercise rights under the Plan.

16.11.2. Family Transfers

If authorized in the applicable Award Agreement, a Grantee may transfer, not for value, all or part of an Award (other than Incentive Stock Options) to any Family Member. For the purpose of this **Section 16.11.2**, a "not for value" transfer is a transfer that is (i) a gift, (ii) a transfer under a domestic relations order in settlement of marital property rights or (iii) a transfer to an entity in which more than 50% of the voting interests are owned by Family Members (or the Grantee) in exchange for an interest in that entity. Following a transfer under this **Section 16.11.2**, any such Award shall continue to be subject to the same terms and conditions as were applicable immediately prior to transfer. Subsequent transfers of transferred Awards are prohibited except to Family Members of the original Grantee in accordance with this **Section 16.11.2** or by will or the laws of descent and distribution.

16.11.3. Issued Shares

No Issued Shares shall be sold, assigned, transferred, pledged, hypothecated, given away or in any other manner disposed of or encumbered, whether voluntarily or by operation of law, unless (i) such transfer is in compliance with the terms of the applicable Award, all applicable securities laws, and the terms and conditions of the Plan (including **Sections 16.4** and **16.5** and this **Section 16.11.3**), and (ii) the transferee consents in writing to be bound by the provisions of the Plan (including **Sections 16.4** and **16.5** and this **Section 16.11.3**). In connection with any proposed transfer, the Board may require the transferor to provide at the transferor's own expense an opinion of counsel to the transferor, satisfactory to the Board, that such transfer is in compliance with all foreign, federal and state securities laws. Any attempted disposition of Issued Shares not in accordance with the terms and conditions of this **Section 16.11.3** shall be null and void, and the Company shall not reflect on its records any change in record ownership of any Issued Shares as a result of any such disposition, shall otherwise refuse to recognize any such disposition and shall not in any way give effect to any such disposition of Issued Shares. Subject to the foregoing general provisions, and unless otherwise provided in the agreement with respect to a particular Award, Issued Shares may be transferred pursuant to the following specific terms and conditions:

The Holder may sell, assign, transfer or give away any or all of the Issued Shares to Permitted Transferees; *provided*, *however*, that following such sale, assignment or other transfer, such Issued Shares shall continue to be subject to the terms of the Plan (including **Sections 16.4** and **16.5** and this **Section 16.11.3**) and such Permitted Transferee(s) shall, as a condition to any such transfer, deliver a written acknowledgment to that effect to the Company.

Upon the death of the Holder, any Issued Shares then held by the Holder at the time of such death and any Issued Shares acquired thereafter by the Holder's legal representative shall be subject to the provisions of the Plan, and the Holder's estate, executors, administrators, personal representatives, heirs, legatees and distributees shall be obligated to convey such Issued Shares to the Company or its assigns under the terms contemplated hereby.

16.12. Dividends and Dividend Equivalent Rights

If specified in the Award Agreement, the recipient of an Award may be entitled to receive, dividend equivalent rights with respect to the Shares or other securities covered by an Award. The terms and conditions of a dividend equivalent right may be set forth in the Award Agreement. Dividend equivalents credited to a Grantee may be paid in cash or may be deemed to be reinvested in additional Shares or other securities of the Company at a price per unit equal to the Fair Market Value of a Share on the date that such dividend was paid to Stockholders. Notwithstanding the foregoing, dividends or dividend equivalents shall not be paid on any Award or portion thereof that is unvested or on any Award that is subject to the achievement of performance criteria before the Award has become earned and payable.

16.13. Data Protection

A Grantee's acceptance of an Award shall be deemed to constitute the Grantee's acknowledgement of and consent to the collection and processing of personal data relating to the Grantee so that the Company can meet its obligations and exercise its rights under the Plan and generally administer and manage the Plan. This data shall include data about participation in the Plan and Shares offered or received, purchased, or sold under the Plan and other appropriate financial and other data (such as the date on which the Awards were granted) about the Grantee and the Grantee's participation in the Plan.

16.14. Disqualifying Disposition

Any Grantee who shall make a "disposition" (as defined in Section 424 of the Code) of all or any portion of Shares acquired upon exercise of an Incentive Stock Option within two years from the Grant Date of such Incentive Stock Option or within one year after the issuance of the Shares acquired upon exercise of such Incentive Stock Option shall be required to immediately advise the Company in writing as to the occurrence of the sale and the price realized upon the sale of such shares of Common Stock.

16.15. Plan Construction

In the Plan, unless otherwise stated, the following uses apply: (i) references to a statute or law refer to the statute or law and any amendments and any successor statutes or laws, and to all valid and binding governmental regulations, court decisions and other regulatory and judicial authority issued or rendered thereunder, as amended, or their successors, as in effect at the relevant time; (ii) in computing periods from a specified date to a later specified date, the words "from" and "commencing on" (and the like) mean "from and including," and the words "to," "until" and "ending on" (and the like) mean "to and including"; (iii) indications of time of day shall be based upon the time applicable to the location of the principal headquarters of the Company; (iv) the words "include," "includes" and "including" (and the like) mean "include, without limitation," "includes, without limitation" and "including, without limitation" (and the like), respectively; (v) all references to articles and sections are to articles and sections in the Plan; (vi) all words used shall be construed to be of such gender or number as the circumstances and context require; (vii) the captions and headings of articles and sections have been inserted solely for convenience of reference and shall not be considered a part of the Plan, nor shall any of them affect the meaning or interpretation of the Plan; (viii) any reference to an agreement, plan, policy, form, document or set of documents, and the rights and obligations of the parties under any such agreement, plan, policy, form, document or set of documents, shall mean such agreement, plan, policy, form, document or set of documents as amended from time to time, and any and all modifications, extensions, renewals, substitutions or replacements thereof; and (ix) all accounting terms not specifically defined shall be construed in accordance with U.S. generally accepted accounting principles.

Exhibit 10.3

Movano Inc.

Director Compensation Policy

Members of the Board of Directors (the "Board") of Movano Inc. (the "Company") who are not employees of the Company or any subsidiary of the Company ("non-employee directors") shall receive compensation for their services on the Board in accordance with this Director Compensation Policy (this "Policy").

Cash Compensation

Each non-employee director shall be paid an annual cash retainer of $50,000 prorated for partial periods and paid quarterly in arrears as soon as practicable following the end of each quarter for which payment under this Policy is owed.

In addition to the annual cash retainer described above, the chair of the Board, if he or she is a non-employee director, shall be paid an annual cash retainer of $25,000 and committee chairs shall be paid the annual committee fees set forth below, in each case prorated for partial periods and paid quarterly in arrears as soon as practicable following the end of each quarter for which payment under this Policy is owed.

Audit Committee Chair:	$	20,000
Compensation Committee Chair:	$	10,000

Expense Reimbursement

The compensation described in this Policy is in addition to reimbursement of all out-of-pocket expenses incurred by directors in attending meetings of the Board.

Employee Directors

An employee of the Company who serves as a director receives no additional compensation for such service.

Adopted February 10, 2021

Exhibit 10.17

February 8, 2021

John Mastrototaro
Mastrj22@gmail.com

Re: Offer of Employment by Movano Inc.

Dear John:

I am very pleased to confirm our offer to you of employment with Movano Inc. (the "***Company***"). The terms of our offer and the benefits currently provided by the Company are as follows:

1. **Position and Start Date**. You are being offered the position of Chief Executive Officer, and you will report to the Company's Board of Directors (the ***"Board"***). You will have the duties, responsibility and authority customary for such position, as well as any other duties the Board may assign to you. This is an exempt position based both remotely and in our Pleasanton, CA office. Your anticipated start date will be between March 1, 2021 – April 1, 2021, to be mutually agreed.

2. **Starting Salary**. You will be paid a salary of $12,500 per semi-monthly pay period ($300,000 annualized), less applicable payroll deductions and all required withholdings (the ***"Base Salary"***), in accordance with the Company's regular payroll practices. Your Base Salary will be subject to periodic review by the Board for possible adjustment in its discretion.

3. **Annual Performance Bonus Eligibility.** You will be eligible for an annual performance cash bonus (***"Annual Bonus"***), up to 100% of your Base Salary, based on the Company's overall performance and your achievement of specific individual performance objectives (***"Objectives"***), in each case as determined by the Board in its discretion. The Objectives and any applicable payout ratios will be established by the Board, with your input, during the first quarter of each calendar year or at such other times as you and the Board may agree. Any Annual Bonus will be earned and paid within 2½ months of the end of the calendar year to which the Annual Bonus relates, so long as you are still employed by the Company on the payment date. There is no guarantee that you will receive any particular Annual Bonus amount or any Annual Bonus at all. If your employment with the Company ends for any reason before an Annual Bonus is paid, you will not be entitled to any pro-rata or other Annual Bonus amount. Applicable payroll deductions and all required withholdings will be deducted from any Annual Bonus payments.

4. **Benefits.** In addition, you will be eligible to participate in regular health insurance, bonus and other employee benefit plans established by the Company for its employees from time to time. You will also be eligible for the Company's standard paid time off, sick time and holidays benefits, on the same terms as other similarly-situated employees.

The Company will reimburse you for all reasonable, necessary and approved business expenses, following your submission of appropriate supporting documentation, in accordance with the Company's expense reimbursement policy.

The Company reserves the right to modify or cancel any benefits or other terms of employment at any time, as it deems appropriate in its sole discretion.

5. **Options**.

(a) We will recommend to the Board that you be granted options to purchase up to 1,000,000 shares of Common Stock of the Company (the "**Options**") under our 2019 Omnibus Incentive Plan (the "***Plan***") at the fair market value of the Company's Common Stock, as determined by the Board on the date the grant is approved. The Options will vest over a four-year period, 25% at the end of your first anniversary with the Company, and an additional 2.08% (1/48th) per month for the remaining three years, so long as you remain employed by the Company. However, the grant of such Options by the Company is subject to the Board's approval and this promise to recommend such approval is not a promise of compensation and is not intended to create any obligation on the part of the Company. The Options will be governed by and subject to the terms of the Plan and an applicable Award Agreement, to be provided upon approval of the grant by the Board.

(b) Acceleration upon Acquisition and Termination. In addition to any shares subject to the Option vesting and becoming exercisable pursuant to the schedule noted above, if there is a Change in Control (as defined in the Plan, or otherwise determined by the Board) and in connection with, anticipation of, or within 12 months after consummation of such Change in Control, an Involuntary Termination occurs, then effective as of such Involuntary Termination, subject to your execution and non-revocation of a Release (as defined below) on or before the time prescribed by the Company (or successor thereto), 100% of the then-unvested shares subject to the Option shall vest and become exercisable.

As used herein, the following definitions shall apply for all clauses of this contract and related exhibits:

"***Cause***" means any of the following: (i) your willful failure to perform your duties and responsibilities to the Company after notice from the Company and reasonable opportunity to cure (if cure is possible) or your violation of any written Company policy after notice from the Company and reasonable opportunity to cure (if cure is possible); (ii) the commission of any act of fraud, dishonesty, theft, embezzlement, misappropriation of assets or property of the Company or in relation to the Company or the Company's customers, employees or other business relations; (iii) gross negligence, misconduct, neglect of duties, or breach of fiduciary duty to the Company; (iv) knowing, intentional or willful action without the taking of reasonable care that results in a violation of law in connection with your services to the Company or the Company's securities; (v) material breach of an employment or other agreement with the Company after notice from the Company and reasonable opportunity to cure (if cure is possible); (vi) the conviction of or plea of guilty or nolo contendre to a felony, or any crime involving moral turpitude; (viii) acceptance of or engaging in during employment, without the Company's advance written consent, a services relationship with a competitor of the Company whether or not for compensation; (ix) acceptance or engaging during employment, without the Company's advance written consent or 30 days advance written notice to the Company, of a full-time position or full-time equivalent position with any other person or entity or any other services relationship with any other person or entity that materially interferes with your ability to perform your duties and responsibilities; or (ix) the intentional unauthorized use or intentional or grossly negligent disclosure of any proprietary information or trade secrets of the Company or any other person or entity to whom you owe an obligation of nondisclosure as a result of your relationship with the Company.

"***Involuntary Termination***" means your employment with the Company is terminated by the Company (or successor thereto) other than for Cause.

"***Release***" means a general release of all claims that you may have against the Company or persons affiliated with the Company (including any successor thereto) in the form prescribed by the Company (or successor thereto) without alterations.

6. **Severance.**

(a) In the event of an Involuntary Termination, and provided you comply with all the conditions specified below, you will receive the following severance benefits from the Company:

(i) The Company will pay you cash severance equal to twelve (12) months of your Base Salary, in equal installments, less applicable payroll deductions and required withholdings, over a period of twelve (12) months following your date of termination, on the Company's regularly scheduled payroll dates, commencing with the first such date that occurs on or after the Release (defined below) becomes effective and irrevocable;

(ii) You will receive a pro-rated amount of your Annual Bonus based on the number of days you are employed during the calendar year in which your termination occurs, to be paid in a lump-sum, less applicable payroll deductions and required withholdings, within thirty (30) days after the Release (defined below) becomes effective and irrevocable; and

(iii) If you timely elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will reimburse you for the full amount of the monthly premium for such coverage from the first date you lose health coverage as an employee of the Company until the earliest of (i) the date the Company has paid your premiums for COBRA coverage for a total of twelve (12) months, (ii) the expiration of your continuation coverage eligibility under COBRA, or (iii) the date when you become eligible to receive substantially equivalent health insurance coverage from another employer. Any COBRA reimbursements will be treated as taxable income to you.

(b) Your receipt of any of the above severance benefits from the Company is subject to and conditioned on you: (i) signing and not revoking a comprehensive release of claims against the Company and any of its affiliates or related parties or persons, in a form acceptable to the Company (the "***Release***"); (ii) promptly returning all Company information and property in your possession, as provided in the ECIIA (defined below); (iii) immediately and irrevocably resigning as a member of the Board and any other corporate offices then held with the Company or any of its affiliates; and (iv) continuing to fully comply with, and not violating, any provisions of the Release and your ECIIA (defined below). In no event will any severance benefits be paid or provided to you until the Release becomes effective and irrevocable. If you at any time breach any of the above conditions, or any continuing obligations to the Company imposed by law or contract, all remaining severance payments and benefits will immediately cease and you will be responsible for promptly repaying the Company for any severance payments or benefits previously provided to you.

(c) You will not be entitled to any other payments or severance benefits, except as provided in this Agreement, in the event of any Involuntary Termination or other termination of your employment with the Company of any kind.

7. **Protection of Confidential and Proprietary Information**. Your employment with the Company is contingent on your execution, delivery to the Company, and full compliance with the Company's Employee Confidential Information and Invention Assignment Agreement ("ECIIA"), attached for your review and signature prior to your start date.

8. **No Breach of Obligations to Prior Employers**. We wish to impress upon you that we do not want you to, and we hereby direct you not to, bring with you any confidential or proprietary material or information of any former employer or violate any other obligations you may have to any former employer. By signing this letter, you represent that, prior to your first day of work with the Company, you previously returned any confidential, proprietary or trade secret information belonging to any prior employer, and agree (a) not bring any such information on the Company's premises, and (b) not to use any such information in your employment with the Company. You will also strictly adhere to the terms of any lawful restrictive covenants entered into between you and any prior employers. By signing below, you represent that your employment with Company will not breach any other agreement to which you are a party and that you have not, and further agree, that during the term of your employment with the Company, you will not enter into any agreement (written or oral) or engage in any activity that conflicts with any of the provisions of this letter, any other agreements with the Company, or any of the Company's policies.

9. **No Competition During Employment**. At all times during employment with the Company, you will devote your full energies, abilities and productive business time to the performance of your job for the Company and will not engage in any activity that would in any way interfere or conflict with the full performance of any of your duties for the Company**.** You agree to not engage in any employment, business or activity that is in any way competitive with the business or proposed business of the Company. You have previously disclosed to the Company in writing any other gainful employment, business or activity that you are currently associated with or wish to continue to participate in that may compete with the Company, and will not engage in any such activities during employment without prior written consent from the Board. You will also not assist any other person or organization in competing with the Company or in preparing to engage in competition with the business or proposed business of the Company.

10. **Compliance with Company Policies**. You agree to comply at all times with all Company policies, rules and procedures as they may be established, stated and/or modified from time to time at the Company's sole discretion, including without limitation, any polices, rules and procedures contained in the Company's Employee Handbook and Code of Conduct. In this regard, among other things, you will be expected to comply at all times to the Company's standards of professionalism, loyalty, integrity, honesty, reliability and respect for others. You will also comply at all times with your confidentiality obligations to the Company and its clients, customers, or business partners and all laws and regulations applicable to the Company's business and performance of your duties for the Company.

After receipt of the respective Company policies, if so requested by the Company, you agree to timely sign and deliver to the Company acknowledgement of receipt forms for any policy statements provided to you. As and when requested, you will also sign periodic forms to certify your continuing full compliance with the Company's policies. If at any time, based on subsequent events, any of your prior representations, acknowledgements or warranties become incomplete or inaccurate, you agree to immediately notify the Company's Board, in writing, of the applicable change(s). You also agree that, during the term of your employment with the Company and at all times thereafter, you will fully cooperate, without additional compensation, with the Company and/or its representatives and, if requested or compelled, will provide truthful information or testimony in connection with any internal, external or regulatory investigation of the Company, its operations or any aspect of the Company's business, any workplace matters or any disputes of any kind about which you have or may have any relevant information.

11. **At Will Employment**. Your employment with the Company is for no specified duration and may be terminated either by you or the Company at any time and for any reason whatsoever, with or without cause or advance notice, except that you agree to notify the Company in writing at least 30 days in advance of any resignation. The Company also retains the right to make all other decisions concerning your employment (e.g., changes to your position, title, level, responsibilities, compensation, job duties, reporting structure, work location, work schedule, goals or any other managerial decisions) at any time, with or without cause or advance notice, as it deems appropriate in its sole discretion. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are superseded by this agreement. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and practices, may change from time to time, the "at-will" nature of your employment may be changed only in an express, written employment agreement signed by you and the Chair of the Company's Board (or his or her delegate other than you).

12. **Tax Matters**. All forms of compensation referred to in this agreement are subject to reduction to reflect applicable withholding and payroll taxes and other deductions required by law. You and the Company intend that any payments and benefits to be provided to you will comply with or be exempt from Section 409A of the Internal Revenue Code ("***Section 409A***"). If either you or the Company reasonably determines that any payment or benefit provided to you will violate Section 409A, you and the Company will make reasonable efforts to restructure the payment in a manner that is either exempt from or compliant with Section 409A while maintaining the original intent and economic benefit of the applicable provision. Such efforts may include executing amendments to this agreement as may be reasonably necessary to ensure compliance with Section 409A. In no event, however, will the Company be liable for any additional tax, interest or penalty that may be imposed on you pursuant to Section 409A or damages for failing to comply with Section 409A.

13. **Authorization to Work**. Please note that because of employer regulations adopted in the Immigration Reform and Control Act of 1986, within three (3) business days of starting your new position you will need to present documentation demonstrating that you have authorization to work in the United States.

14. **Arbitration and Class Action Waiver**. You and the Company agree to submit to mandatory binding arbitration any and all claims arising out of or related to your hiring, employment and/or termination of employment with the Company, including, but not limited to, any statutory or common law claims against you, the Company or any of the Company's agents or employees for unpaid wages, breach of contract, wrongful termination, torts, stock or stock options or other ownership interest in the Company, and/or discrimination (including harassment) based upon any federal, state or local ordinance, statute, regulation or constitutional provision except as otherwise specified below (collectively, "***Arbitrable Claims***"). Further, to the fullest extent permitted by law, you and the Company agree that no class or collective actions can be asserted in arbitration or otherwise. All claims, whether in arbitration or otherwise, must be brought solely in your or the Company's individual capacity, and not as a plaintiff or class member in any purported class or collective proceeding. Nothing in this Arbitration and Class Action Waiver section, however, restricts your right, if any, to file in court a representative action under applicable law, including California Labor Code Sections 2698, *et seq.*

SUBJECT TO THE ABOVE PROVISO, THE PARTIES HEREBY WAIVE ANY RIGHTS THEY MAY HAVE TO TRIAL BY JURY IN REGARD TO ARBITRABLE CLAIMS. THE PARTIES FURTHER WAIVE ANY RIGHTS THEY MAY HAVE TO PURSUE OR PARTICIPATE IN A CLASS OR COLLECTIVE ACTION PERTAINING TO ANY CLAIMS BETWEEN YOU AND THE COMPANY.

This agreement to arbitrate does not restrict your right to file administrative claims you may bring before any government agency where, as a matter of law, the parties may not restrict the employee's ability to file such claims (including, but not limited to, the National Labor Relations Board, the Equal Employment Opportunity Commission and the Department of Labor). However, the parties agree that, to the fullest extent permitted by law, arbitration shall be the exclusive remedy for the subject matter of such administrative claims. The arbitration shall be conducted in San Francisco, California through JAMS before a single neutral arbitrator, in accordance with the JAMS employment arbitration rules then in effect, pursuant to the Federal Arbitration Act, Title 9, U.S.C, §1, *et seq*. The JAMS rules may be found and reviewed at http://www.jamsadr.com/rules-employment-arbitration. If you are unable to access these rules, please let me know and I will provide you with a hardcopy. The arbitrator shall issue a written decision that contains the essential findings of fact and conclusions of law on which the decision is based. If, for any reason, any term of this Arbitration and Class Action Waiver provision is held to be invalid or unenforceable, all other valid terms and conditions herein shall be severable in nature, and remain fully enforceable. The Company will pay all costs for JAMS to administer the arbitration and the costs for the arbitrator less those amounts you would otherwise be required to pay were the claim(s) adjudicated in court.

This arbitration provision shall not apply to any claims for workers' compensation or unemployment insurance benefits or any claims for injunctive or other similar equitable relief, including related to the improper use, disclosure or misappropriation of a party's private, proprietary, confidential or trade secret information. Except if prohibited by law, before commencing any arbitration proceedings, you and the Company agree to (1) notify each other in writing of any dispute involving you and the Company or any of its agents or employees and (2) to make a good faith effort to resolve any such dispute, either directly or, if mutually agreed, through private mediation.

15. **Background Check**. By signing below you: (1) warrant and confirm that any information you have provided to the Company in connection with your consideration for employment is all true and correct to the best of your knowledge; (2) consent to the Company (or its designate) performing a background check on you; and (3) expressly release the Company from any claim, cause of action or liability of any kind arising out of or in any way related to the Company's efforts to verify your background or other information about you. This offer is contingent upon a satisfactory verification of criminal, education, driving, employment background or other information about you. You have a right to review copies of any public records obtained by the Company in conducting this verification process if you so request. This offer can be rescinded based upon data received in the verification.

16. **Entire Agreement; Modification**. This letter constitutes the entire agreement between you and the Company with respect to the subject matter hereof and supersedes all prior offers, negotiations and agreements, if any, whether written or oral, by anyone relating to such subject matter. You acknowledge that neither the Company nor its agents have made any promise, representation or warranty whatsoever, either express or implied, written or oral, which is not contained in this agreement for the purpose of inducing you to execute the agreement, and you acknowledge that you have executed this agreement in reliance only upon such promises, representations and warranties as are contained herein. The terms of this agreement may only be modified in a writing signed by both you and the Chair of the Company's Board.

17. **Governing Law; Unenforceability; Successors; Counterparts.** This agreement will be governed by the laws of the State of California, without regard to any conflict of law rules. In the event that any provision of this agreement is ever determined by an applicable tribunal to be void or unenforceable, the remaining provisions of the agreement will not be affected and will remain in full force and effect, to the fullest extent permitted by law. This agreement will inure to the benefit of and be binding on you and the parties and their respective successors, heirs, agents, legal representatives and, in the case of the Company, its assigns. This agreement may be executed in counterparts and by facsimile, pdf/email, or other electronic means and, when so executed, shall be considered one and the same instrument, have the same force and effect as an original, and constitute a binding agreement on each of the parties.

18. **Acceptance**. This offer will remain open until February 28, 2021, at which time the offer will expire if not accepted. If you decide to accept our offer, and I hope you will, please sign the enclosed copy of this letter in the space indicated and return it to me. Your signature will acknowledge that you have read and understood and agreed to the terms and conditions of this offer letter and the attached documents, if any. Should you have anything else that you wish to discuss, please do not hesitate to call me.

We look forward to the opportunity to welcome you to the Company.

Very truly yours,

/s/ Emily Fairbairn

Emily Fairbairn, Chair of the Board

Enclosures:
Confidential Information and Invention Assignment Agreement (ECIIA)

ACCEPTED AND AGREED:

I ACKNOWLEDGE THAT I HAVE CAREFULLY READ THIS AGREEMENT, THAT I FULLY UNDERSTAND ALL OF ITS TERMS AND CONDITIONS, AND THAT I HAVE ENTERED INTO THIS AGREEMENT VOLUNTARILY AND NOT IN RELIANCE ON ANY PROMISES OR REPRESENTATIONS EXCEPT THOSE CONTAINED IN THIS AGREEMENT. **I UNDERSTAND THAT BY SIGNING THIS AGREEMENT I AM GIVING UP MY RIGHT TO A JURY TRIAL.** I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY OWN LEGAL COUNSEL PRIOR TO SIGNING AND HAVE AVAILED MYSELF OF THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

/s/ John Mastrototaro Date signed: 2/8/2021

John Mastrototaro

FIRST AMENDMENT TO EMPLOYMENT LETTER AGREEMENT

This First Amendment (this "***Amendment***") to that certain Employment Offer Letter Agreement dated November 29, 2019 (the "***Agreement***"), by and between Michael Leabman (the "***Employee***") and Movano Inc. (the "***Company***"), is effective February 10, 2021.

WHEREAS, the parties desire to amend the Agreement as set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment and the Agreement, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

A. Effect of Amendment. This Amendment amends the Agreement. Except as provided in this Amendment, all of the terms and conditions of the Agreement remain in full force and effect.

B. Section 1. Section 1 is deleted in its entirety and replaced with the following:

1. **Position and Start Date**. You are initially being offered the position of the Chief Executive Officer. Effective upon John Mastrototaro's assumption of the position of Chief Executive Officer you shall assume the position of Chief Technology Officer. This is an exempt position based in our Pleasanton, California office.

C. Section 10. Section 10 is deleted in its entirety and replaced with the following:

10A. **At Will Employment**. Employment with the Company is for no specific period of time. Should you accept our offer, you will be an at-will employee of the Company, which means the employment relationship can be terminated by either of us for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are superseded by this agreement. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and practices, may change from time to time, the "at-will" nature of your employment may be changed only in an express, written employment agreement signed by you and a duly authorized officer of the Company (other than you).

10B. **Severance**.

(a) In the event of an Involuntary Termination, and provided you comply with all the conditions specified below, you will receive the following severance benefits from the Company:

(i) The Company will pay you cash severance equal to twelve (12) months of your Base Salary, in equal installments, less applicable payroll deductions and required withholdings, over a period of twelve (12) months following your date of termination, on the Company's regularly scheduled payroll dates, commencing with the first such date that occurs on or after the Release (defined below) becomes effective and irrevocable;

(ii) You will receive a pro-rated amount of your Annual Bonus based on the number of days you are employed during the calendar year in which your termination occurs, to be paid in a lump-sum, less applicable payroll deductions and required withholdings, within thirty (30) days after the Release (defined below) becomes effective and irrevocable; and

(iii) If you timely elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will reimburse you for the full amount of the monthly premium for such coverage from the first date you lose health coverage as an employee of the Company until the earliest of (i) the date the Company has paid your premiums for COBRA coverage for a total of twelve (12) months, (ii) the expiration of your continuation coverage eligibility under COBRA, or (iii) the date when you become eligible to receive substantially equivalent health insurance coverage from another employer. Any COBRA reimbursements will be treated as taxable income to you.

(b) Your receipt of any of the above severance benefits from the Company is subject to and conditioned on you: (i) signing and not revoking a comprehensive release of claims against the Company and any of its affiliates or related parties or persons, in a form acceptable to the Company (the "***Release***"); (ii) promptly returning all Company information and property in your possession, as provided in the ECIIA; (iii) immediately and irrevocably resigning as a member of the Board and any other corporate offices then held with the Company or any of its affiliates; and (iv) continuing to fully comply with, and not violating, any provisions of the Release and your ECIIA. In no event will any severance benefits be paid or provided to you until the Release becomes effective and irrevocable. If you at any time breach any of the above conditions, or any continuing obligations to the Company imposed by law or contract, all remaining severance payments and benefits will immediately cease and you will be responsible for promptly repaying the Company for any severance payments or benefits previously provided to you.

(c) You will not be entitled to any other payments or severance benefits, except as provided in this Agreement, in the event of any Involuntary Termination or other termination of your employment with the Company of any kind.

(d) As used herein, the following definitions shall apply for all clauses of this contract and related exhibits:

"***Cause***" means any of the following: (i) your willful failure to perform your duties and responsibilities to the Company after notice from the Company and reasonable opportunity to cure (if cure is possible) or your violation of any written Company policy after notice from the Company and reasonable opportunity to cure (if cure is possible); (ii) the commission of any act of fraud, dishonesty, theft, embezzlement, misappropriation of assets or property of the Company or in relation to the Company or the Company's customers, employees or other business relations; (iii) gross negligence, misconduct, neglect of duties, or breach of fiduciary duty to the Company; (iv) knowing, intentional or willful action without the taking of reasonable care that results in a violation of law in connection with your services to the Company or the Company's securities; (v) material breach of an employment or other agreement with the Company after notice from the Company and reasonable opportunity to cure (if cure is possible); (vi) the conviction of or plea of guilty or nolo contendre to a felony, or any crime involving moral turpitude; (viii) acceptance of or engaging in during employment, without the Company's advance written consent, a services relationship with a competitor of the Company whether or not for compensation; (ix) acceptance or engaging during employment, without the Company's advance written consent or 30 days advance written notice to the Company, of a full-time position or full-time equivalent position with any other person or entity or any other services relationship with any other person or entity that materially interferes with your ability to perform your duties and responsibilities; or (ix) the intentional unauthorized use or intentional or grossly negligent disclosure of any proprietary information or trade secrets of the Company or any other person or entity to whom you owe an obligation of nondisclosure as a result of your relationship with the Company.

"***Involuntary Termination***" means your employment with the Company is terminated by the Company (or successor thereto) other than for Cause.

D. Entire Agreement. This Amendment and the Agreement together constitute the entire agreement between the parties with respect to the subject matter hereof and merge all prior and contemporaneous communications regarding the same subject matter. They may not be further modified except by a written agreement executed by the parties.

IN WITNESS WHEREOF, the parties, intending to be legally bound thereby, have executed this Amendment as of the date first set forth above.

EMPLOYEE

By: /s/ Michael Leabman
Name: Michael Leabman

MOVANO INC.

By: /s/ Emily Fairbairn
Name: Emily Fairbairn
Title: Chair of the Board

Exhibit 10.19

FIRST AMENDMENT TO EMPLOYMENT LETTER AGREEMENT

This First Amendment (this "***Amendment***") to that certain Employment Offer Letter Agreement dated November 29, 2019 (the "***Agreement***"), by and between Phil Kelly (the "***Employee***") and Movano Inc. (the "***Company***"), is effective February 10, 2021.

WHEREAS, the parties desire to amend the Agreement as set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment and the Agreement, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

A. Effect of Amendment. This Amendment amends the Agreement. Except as provided in this Amendment, all of the terms and conditions of the Agreement remain in full force and effect.

B. Section 1. Section 1 is deleted in its entirety and replaced with the following:

1. **Position and Start Date**. You are initially being offered the position of the Chief Technology Officer. Effective upon Michael Leabman's assumption of the position of Chief Technology Officer you shall assume the position of Vice President of Engineering. This is an exempt position based in our Pleasanton, California office.

C. Section 10. Section 10 is deleted in its entirety and replaced with the following:

10A. **At Will Employment**. Employment with the Company is for no specific period of time. Should you accept our offer, you will be an at-will employee of the Company, which means the employment relationship can be terminated by either of us for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are superseded by this agreement. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and practices, may change from time to time, the "at-will" nature of your employment may be changed only in an express, written employment agreement signed by you and a duly authorized officer of the Company (other than you).

10B. **Severance**.

(a) In the event of an Involuntary Termination, and provided you comply with all the conditions specified below, you will receive the following severance benefits from the Company:

(i) The Company will pay you cash severance equal to twelve (12) months of your Base Salary, in equal installments, less applicable payroll deductions and required withholdings, over a period of twelve (12) months following your date of termination, on the Company's regularly scheduled payroll dates, commencing with the first such date that occurs on or after the Release (defined below) becomes effective and irrevocable;

(ii) You will receive a pro-rated amount of your Annual Bonus based on the number of days you are employed during the calendar year in which your termination occurs, to be paid in a lump-sum, less applicable payroll deductions and required withholdings, within thirty (30) days after the Release (defined below) becomes effective and irrevocable; and

(iii) If you timely elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will reimburse you for the full amount of the monthly premium for such coverage from the first date you lose health coverage as an employee of the Company until the earliest of (i) the date the Company has paid your premiums for COBRA coverage for a total of twelve (12) months, (ii) the expiration of your continuation coverage eligibility under COBRA, or (iii) the date when you become eligible to receive substantially equivalent health insurance coverage from another employer. Any COBRA reimbursements will be treated as taxable income to you.

(b) Your receipt of any of the above severance benefits from the Company is subject to and conditioned on you: (i) signing and not revoking a comprehensive release of claims against the Company and any of its affiliates or related parties or persons, in a form acceptable to the Company (the "***Release***"); (ii) promptly returning all Company information and property in your possession, as provided in the ECIIA; (iii) immediately and irrevocably resigning as a member of the Board and any other corporate offices then held with the Company or any of its affiliates; and (iv) continuing to fully comply with, and not violating, any provisions of the Release and your ECIIA. In no event will any severance benefits be paid or provided to you until the Release becomes effective and irrevocable. If you at any time breach any of the above conditions, or any continuing obligations to the Company imposed by law or contract, all remaining severance payments and benefits will immediately cease and you will be responsible for promptly repaying the Company for any severance payments or benefits previously provided to you.

(c) You will not be entitled to any other payments or severance benefits, except as provided in this Agreement, in the event of any Involuntary Termination or other termination of your employment with the Company of any kind.

(d) As used herein, the following definitions shall apply for all clauses of this contract and related exhibits:

"***Cause***" means any of the following: (i) your willful failure to perform your duties and responsibilities to the Company after notice from the Company and reasonable opportunity to cure (if cure is possible) or your violation of any written Company policy after notice from the Company and reasonable opportunity to cure (if cure is possible); (ii) the commission of any act of fraud, dishonesty, theft, embezzlement, misappropriation of assets or property of the Company or in relation to the Company or the Company's customers, employees or other business relations; (iii) gross negligence, misconduct, neglect of duties, or breach of fiduciary duty to the Company; (iv) knowing, intentional or willful action without the taking of reasonable care that results in a violation of law in connection with your services to the Company or the Company's securities; (v) material breach of an employment or other agreement with the Company after notice from the Company and reasonable opportunity to cure (if cure is possible); (vi) the conviction of or plea of guilty or nolo contendre to a felony, or any crime involving moral turpitude; (viii) acceptance of or engaging in during employment, without the Company's advance written consent, a services relationship with a competitor of the Company whether or not for compensation; (ix) acceptance or engaging during employment, without the Company's advance written consent or 30 days advance written notice to the Company, of a full-time position or full-time equivalent position with any other person or entity or any other services relationship with any other person or entity that materially interferes with your ability to perform your duties and responsibilities; or (ix) the intentional unauthorized use or intentional or grossly negligent disclosure of any proprietary information or trade secrets of the Company or any other person or entity to whom you owe an obligation of nondisclosure as a result of your relationship with the Company.

"***Involuntary Termination***" means your employment with the Company is terminated by the Company (or successor thereto) other than for Cause.

D. Entire Agreement. This Amendment and the Agreement together constitute the entire agreement between the parties with respect to the subject matter hereof and merge all prior and contemporaneous communications regarding the same subject matter. They may not be further modified except by a written agreement executed by the parties.

IN WITNESS WHEREOF, the parties, intending to be legally bound thereby, have executed this Amendment as of the date first set forth above.

EMPLOYEE

By: /s/ Phil Kelly
Name: Phil Kelly

MOVANO INC.

By: /s/ J. Cogan
Name: J. Cogan, CFA
Title: CFO

Exhibit 10.20

FIRST AMENDMENT TO EMPLOYMENT LETTER AGREEMENT

This First Amendment (this "***Amendment***") to that certain Employment Offer Letter Agreement dated November 29, 2019 (the "***Agreement***"), by and between Jeremy Cogan (the "***Employee***") and Movano Inc. (the "***Company***"), is effective February 10, 2021.

WHEREAS, the parties desire to amend the Agreement as set forth herein;

NOW, THEREFORE, in consideration of the promises and mutual covenants contained in this Amendment and the Agreement, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

A. Effect of Amendment. This Amendment amends the Agreement. Except as provided in this Amendment, all of the terms and conditions of the Agreement remain in full force and effect.

B. Section 10. Section 10 is deleted in its entirety and replaced with the following:

10A. **At Will Employment**. Employment with the Company is for no specific period of time. Should you accept our offer, you will be an at-will employee of the Company, which means the employment relationship can be terminated by either of us for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary (and, indeed, any statements contradicting any provision in this letter) are superseded by this agreement. Further, your participation in any stock option or benefit program is not to be regarded as assuring you of continuing employment for any particular period of time. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and practices, may change from time to time, the "at-will" nature of your employment may be changed only in an express, written employment agreement signed by you and a duly authorized officer of the Company (other than you).

10B. **Severance**.

(a) In the event of an Involuntary Termination, and provided you comply with all the conditions specified below, you will receive the following severance benefits from the Company:

(i) The Company will pay you cash severance equal to twelve (12) months of your Base Salary, in equal installments, less applicable payroll deductions and required withholdings, over a period of twelve (12) months following your date of termination, on the Company's regularly scheduled payroll dates, commencing with the first such date that occurs on or after the Release (defined below) becomes effective and irrevocable;

(ii) You will receive a pro-rated amount of your Annual Bonus based on the number of days you are employed during the calendar year in which your termination occurs, to be paid in a lump-sum, less applicable payroll deductions and required withholdings, within thirty (30) days after the Release (defined below) becomes effective and irrevocable; and

(iii) If you timely elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("***COBRA***"), the Company will reimburse you for the full amount of the monthly premium for such coverage from the first date you lose health coverage as an employee of the Company until the earliest of (i) the date the Company has paid your premiums for COBRA coverage for a total of twelve (12) months, (ii) the expiration of your continuation coverage eligibility under COBRA, or (iii) the date when you become eligible to receive substantially equivalent health insurance coverage from another employer. Any COBRA reimbursements will be treated as taxable income to you.

(b) Your receipt of any of the above severance benefits from the Company is subject to and conditioned on you: (i) signing and not revoking a comprehensive release of claims against the Company and any of its affiliates or related parties or persons, in a form acceptable to the Company (the "***Release***"); (ii) promptly returning all Company information and property in your possession, as provided in the ECIIA; (iii) immediately and irrevocably resigning as a member of the Board and any other corporate offices then held with the Company or any of its affiliates; and (iv) continuing to fully comply with, and not violating, any provisions of the Release and your ECIIA. In no event will any severance benefits be paid or provided to you until the Release becomes effective and irrevocable. If you at any time breach any of the above conditions, or any continuing obligations to the Company imposed by law or contract, all remaining severance payments and benefits will immediately cease and you will be responsible for promptly repaying the Company for any severance payments or benefits previously provided to you.

(c) You will not be entitled to any other payments or severance benefits, except as provided in this Agreement, in the event of any Involuntary Termination or other termination of your employment with the Company of any kind.

(d) As used herein, the following definitions shall apply for all clauses of this contract and related exhibits:

"***Cause***" means any of the following: (i) your willful failure to perform your duties and responsibilities to the Company after notice from the Company and reasonable opportunity to cure (if cure is possible) or your violation of any written Company policy after notice from the Company and reasonable opportunity to cure (if cure is possible); (ii) the commission of any act of fraud, dishonesty, theft, embezzlement, misappropriation of assets or property of the Company or in relation to the Company or the Company's customers, employees or other business relations; (iii) gross negligence, misconduct, neglect of duties, or breach of fiduciary duty to the Company; (iv) knowing, intentional or willful action without the taking of reasonable care that results in a violation of law in connection with your services to the Company or the Company's securities; (v) material breach of an employment or other agreement with the Company after notice from the Company and reasonable opportunity to cure (if cure is possible); (vi) the conviction of or plea of guilty or nolo contendre to a felony, or any crime involving moral turpitude; (viii) acceptance of or engaging in during employment, without the Company's advance written consent, a services relationship with a competitor of the Company whether or not for compensation; (ix) acceptance or engaging during employment, without the Company's advance written consent or 30 days advance written notice to the Company, of a full-time position or full-time equivalent position with any other person or entity or any other services relationship with any other person or entity that materially interferes with your ability to perform your duties and responsibilities; or (ix) the intentional unauthorized use or intentional or grossly negligent disclosure of any proprietary information or trade secrets of the Company or any other person or entity to whom you owe an obligation of nondisclosure as a result of your relationship with the Company.

"***Involuntary Termination***" means your employment with the Company is terminated by the Company (or successor thereto) other than for Cause.

C. Entire Agreement. This Amendment and the Agreement together constitute the entire agreement between the parties with respect to the subject matter hereof and merge all prior and contemporaneous communications regarding the same subject matter. They may not be further modified except by a written agreement executed by the parties.

IN WITNESS WHEREOF, the parties, intending to be legally bound thereby, have executed this Amendment as of the date first set forth above.

EMPLOYEE

By: /s/ J. Cogan
Name: Jeremy Cogan

MOVANO INC.

By: /s/ Michael Leabman
Name: Michael Leabman
Title: CEO

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the use in this Registration Statement on Form S-1 of Movano Inc. of our report dated March 10, 2021, relating to the financial statements of Movano Inc. (which report expresses an unqualified opinion and includes an explanatory paragraph regarding a going concern uncertainty), and to the reference to our firm under the heading “Experts” in the Prospectus, which is part of this Registration Statement.

/s/ Moss Adams LLP

San Francisco, California
March 10, 2021